Integrated Workforce Plan

Workforce Investment Act, Wagner-Peyser Act, and Department of Labor Workforce Programs

July 1, 2012 to June 30, 2017

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Section I. State Workforce Strategic Plan

A. Governor's Vision

Since taking office in 2009, during the peak of the economic recession, Governor Brewer has dedicated her time and resources to enhancing Arizona's economy and getting its citizens back to work. The Governor has identified economic competitiveness, education, and State government as key areas of needed reform.

In three years, Arizona has made significant strides toward regulatory and tax reform, thus allowing businesses to dedicate more of their resources to expansion, capital formation and job creation and less to dealing with bureaucratic red tape. Similarly, Arizona is reforming its public education system by creating a long-term plan that increases standards and accountability, with the goal of doubling the number of college graduates by 2020.

Although Arizona has made real and meaningful progress in economic development and education, it is imperative to have a skilled workforce to meet the needs of employers. The workforce development system is the link between Arizona's stronger college- and career-ready standards, matched to dynamic business needs.

A high-quality workforce supports Arizona's strategies in two ways:

- A high-quality education system and a motivated and skilled workforce are key tenets of competitiveness that make Arizona an attractive place to create, locate and grow a business.
- High-wage jobs must be filled by high-quality workers possessing the correct skills to do the job and further business growth. Unfilled job positions are wasted opportunities in the short- and long-term, causing employers to look outside of Arizona for talent.

The overall goal of the State's workforce system will be to reduce the unemployment rate. Arizona will do this by offering companies – both new and existing – workers who can fulfill every job opening. Due to the recent changes in the economy, that means more than dusting off a résumé to find a job, especially for the long-term unemployed and underemployed. Many Arizonans will not get their old jobs back and will need to develop new or modify existing skills in order to adjust to the current economy. The good news is that Arizona has a high-quality workforce – CNBC ranked Arizona at the top for the quality of its workforce in 2011 – but there is more work to do.

Arizona has taken full advantage of the opportunity to create a bold new plan that is both comprehensive and collaborative. This plan is a call to action for the state's leaders to provide a framework for local collaboration, and for local leaders to collaborate strategically. It adds to the workforce planning process, at both the state and local levels, partners who are engaged more deeply than ever before in Arizona.

Seven-Step Process

Arizona has laid out a "plan to plan" consisting of seven steps:

1. Revamp the Governor's Council on Workforce Policy.

The Governor has proposed revamping the statewide workforce council with the following reforms:

- Replace the current Governor's Council on Workforce Policy (GCWP) with the Workforce Arizona Council (WAC) during Program Year 2013.
- The new council will be made up of key community leaders and partners with the skills sets and relationships to guide the development of a performance management process at the state and local levels.
- The new council will be tasked with identifying other states' best practices that help unemployed and underemployed workers gain the skills that employers need.
- The new council will be charged with implementing the plan – including monitoring progress based on measurable goals and benchmarks – in partnership with the Arizona Commerce Authority (ACA), Department of Economic Security (DES) and other partners by completing the six steps discussed below.

2. Establish core values, changing the culture in Arizona to one of collaboration and integration.

While the Arizona Commerce Authority (ACA) is focused on job creation and economic development

for mid-level and high-wage jobs, the Department of Economic Security (DES) will work with the ACA to identify areas of industry growth and develop pathways for those currently in the safety net to re-enter the workforce. This partnership is vital to addressing the multiple segments of the workforce and helping people of all skill levels gain employment. Other partners, such as the education system, are vital to this process as well. However, in order for the partners to work deeply and collaboratively, they must share core values and commitment to Arizona achieving important economic goals.

At the first meeting of the new WAC, a third-party facilitator will guide the new members through a process to identify three to five core values that any future goals, agreements or processes – at the state or local level – should uphold.

The Council will also promote the core values of collaboration and integration through a renewed focus for the Local Workforce Investment Areas (LWIAs) based on a dual customer base of businesses and workers. This will be done by establishing a series of "town hall" type meetings, described in Step 5 below. The Council will also consider integrating funding streams, services and data collection; generating ideas and innovative approaches to responding to the needs of employers and workers; and coordinating services that enhance the capacity of workers and employers with business service teams. A more in-depth description of this business outreach strategy is provided on page 33 of the plan.

3. Establish shared goals and benchmarks.

During the first quarter of the new WAC's existence, it will establish a Performance Management Subcommittee and hire a third-party facilitator to develop a performance management plan that upholds the principals of "plan, do, check, act."

Within the first quarter, the Subcommittee will develop for the Council (a) a set of metrics and benchmarks related to achieving the overall goal of reducing the unemployment rate and (b) a progress monitoring structure. Once the benchmarks are adopted, they will be reviewed at quarterly WAC meetings and executive committee meetings. These benchmarks, or key success measures, will also be tracked on an Arizona Balanced Scorecard/Performance Management Dashboard, maintained by ACA.

Setting these goals and metrics will help determine what programs and activities best fit Arizona's economic development needs. The new Council will monitor the effectiveness of State agencies to help people find jobs as a condition of receiving public assistance. In order to accomplish this, the Council will:

- identify key points of contact at partner agencies that are responsible for tracking local metrics;
- receive presentations from these partners at Council meetings;
- map out the focus and expectations for each partner (WAC, DES, ACA, Arizona Department of Education, county supervisors, tribal leadership, City of Phoenix, and Local Workforce Investment Area Board directors); and
- develop process metrics and agreements among the partners.

4. Create subcommittees and tactical plans from a statewide perspective to meet goals, including key partners, resources and timelines.

In short, ACA creates the economic development framework, targeting sectors and developing employers in high-priority sectors. DES connects workers to those jobs, filling in skill gaps that are aligned with ACA and local business needs. The Arizona Department of Education (ADE) and the entire education system will strive to ensure that the pipeline is strong and that workers entering at any age can get access to the right training, at the right time, for an appropriate job.

The Council will create subcommittees, based on the core values and goals established during the first few meetings, which will include key members from ACA, DES, the education system and the business community. ACA and DES will share facilitation duties, while ADE will play key roles in adult education, data sharing, implementing more rigorous college- and career-ready standards, and enhancing career pathways in the P-20W system. For example, the new Council will integrate Workforce with Arizona's education system to ensure a seamless P-20W pipeline. (For more information, see the Education section starting on page 20.)

Two key areas to be addressed are *data sharing* and *career pathways*.

Data Sharing. The Education Subcommittee has identified a data connection problem, i.e., employers need to know where skilled workers are located, and learners of all ages need the following:

- base education for college- and career-ready standards so that students who are 12th grade ready are prepared for a job, post-secondary training or college, and

- state and local job market information to connect their strengths, skills and aspirations to future opportunities and information on the need for any additional training.

Section I.B.6 describes recent progress made on (a) data-sharing across the P-20W sectors and (b) plans to connect the data needed to attract business with the data needed to guide student choices.

Career Pathways. The Education Subcommittee will also (a) make recommendations to the Council on how best to inform and align institutions and workforce development organizations on economic development strategies, curricula and programs – with an emphasis on Science, Technology, Engineering and Mathematics (STEM) education – to provide a skilled workforce relevant to the needs of growing industries and businesses; and (b) coordinate with educational institutions to improve and market the education system and workforce to prospective businesses.

The Arizona Commerce Authority: A New Public-Private Partnership

The ACA is Arizona's economic development organization and consists of top State government officials and internationally renowned business executives. Its mission is to attract business to Arizona and encourage the growth of existing Arizona businesses, utilizing some of the nation's most competitive programs and incentives. Governor Brewer chairs the ACA board of directors and serves as the state's primary spokesperson for economic development and job creation.

In 2011, Arizona ranked among the top ten states in employment growth by adding 46,000 jobs. However, too many Arizonans are still unemployed or underemployed, and too many businesses are struggling to regain profitability.

The ACA, along with Arizona's elected officials and business leaders, is committed to robust, high-value growth and economic vitality in all regions across the state. This common goal is the foundation of the state's aggressive economic development agenda. Emphasis will be focused on creating jobs that bring with them additional indirect and inducted employment. The ACA will work to achieve three aggressive goals:

- **Create 75,000 higher-wage jobs**, 2.5 times more than in the preceding five-year period.
- **Increase by 50% the average wage** of total jobs by 2017.
- **Catalyze $6 billion in long-term capital investment**, an increase of $1 billion over the preceding five-year period.

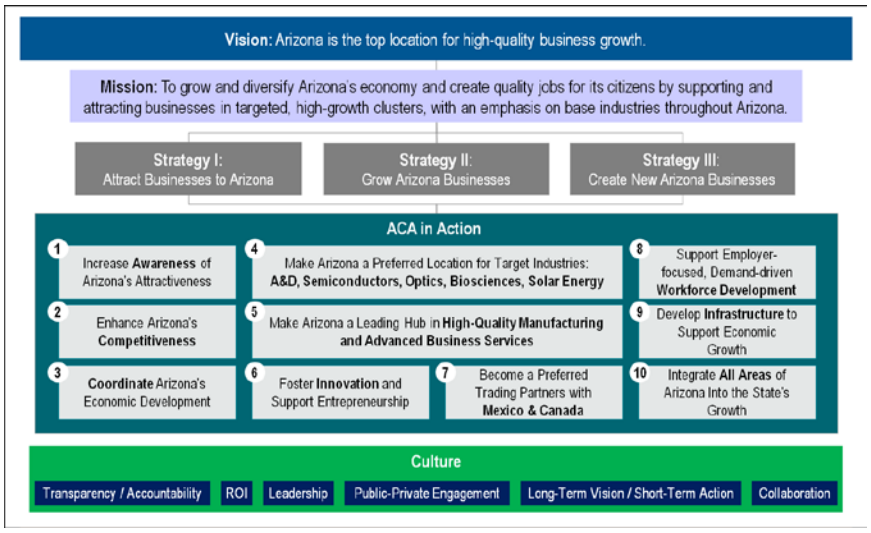
In order to achieve these goals, the ACA will embark on a series of strategic actions over the next five years aimed at recruiting businesses to Arizona, growing Arizona businesses, and creating new businesses in Arizona.

The key cultural elements - collaboration, public-private engagement, and return on investment – are likely to be core values moving forward. They will help drive the goal-setting and benchmarking processes at the state and local levels and thus shape the resulting programs and activities.

The growth of high-wage employment depends on Arizona having a continued supply of skilled workers who are prepared to perform essential job functions. DES is a key avenue for adult workers to get the needed skills.

The Department of Economic Security: "Person-Centric" Support

DES will embark on a person-centric approach aimed at ensuring that Arizonans in the State's public safety net are receiving the services they need to develop employment skills and exit the safety net. It is at this point in the process that these individuals will be able to connect with the local one-stop centers to obtain the skills and training necessary to enter the workforce. This person-centric approach is also the pro-



posed model for restructuring how the local one-stops will operate.

There are three main segments of Arizona's workforce, and each poses its own set of challenges:

- individuals in the State's safety net who are unemployed and do not have the skill set or ability to enter the workforce;
- former workers who need to be retrained in order to have meaningful employment in a changing economy; and
- workers who have the ability to be trained for highly skilled jobs.

Two entities – DES and ACA – will play crucial roles in meeting the needs of members of all three groups.

Arizona Department of Education: Robust Opportunities for Choice and Rigor

Arizona has a deeply rooted culture of "local control." That means there is no State-mandated curriculum or State-driven professional development. However, Arizona does have a strong set of college- and career-ready standards (Arizona's Common Core Standards, www.arizonacommoncore.org) and is part of a national consortium to develop college- and career-ready assessments.

Meanwhile, unique career pathway systems have been developed through the Arizona Skills Standards Commission, the Arizona Chamber of Commerce and industry, the Governor's Office of Education Innovation, and the Arizona Ready Education Council (chaired by retired Intel CEO Dr. Craig Barrett).

These organizations have already formed partnerships to enhance Arizona's career and technical education landscape. Joint Technical Education Districts provide direct links from high school to skilled trades through intense technical training. Community colleges house Arizona's Small Business Development Centers and are a key resource for both incumbent and "net new" job training.

Office of Employment and Population Statistics: Labor Market Information

The Office of Employment and Population Statistics (EPS), which is part of the Arizona Department of Administration, produces demographic and labor market information for the State of Arizona.

The EPS is funded by the USDOL Employment Training Administration's Workforce Information Core Products and Services Grant and by a grant from the USDOL Bureau of Labor Statistics. The EPS provides workforce-related products and services in connection with Workforce Investment Act (WIA) and Unemployment Insurance (UI) funding. Further, the EPS:

- develops a variety of economic analyses, such as local area employment and unemployment statistics, occupation and industry estimates, wage survey data and sector strategy information;
- produces and disseminates industry and occupational employment projections for Arizona;
- develops the official population estimates and projections;
- works collaboratively with the U.S. Bureau of the Census to facilitate the use of demographic information in Arizona;
- works under guidelines of the U.S. Department of Labor's Bureau of Labor Statistics to collect and produce data for the Bureau of Labor Statistics programs, including current and historical employment, unemployment and labor force statistics.

EPS and the LMI data that the Office produces will be the primary source for WIA performance and operational planning in Arizona. We understand that the Integrated Workforce Plan is a work in progress. In an effort to ensure continuous improvement, Arizona will ensure that we are coordinating the strategies in the Plan with the most up-to-date LMI data to provide future amendments to the Plan as needed.

Council Integration

All of these partners will be integrated through the Council, subcommittees and Local Workforce Investment Board (LWIB) systems and will have shared ownership of the goals and metrics that drive results.

5. Conduct stakeholder meetings with LWIBs and county supervisors to get feedback on core values and statewide goals and benchmarks.

The DES/ACA workforce development staff will facilitate town hall sessions for the Council that will consist of stakeholder input from LWIBs across the state. This will give the Local Workforce Investment Areas the opportunity to promote the core values and provide feedback on statewide goal setting.

6. Lead LWIBs in a new local goal setting and benchmarking process.

After stakeholder input on statewide goals, LWIBs will start local processes with technical assistance in

performance management planning sessions. These sessions will occur during the winter of 2012-2013. LWIBs will review the statewide goals and benchmarks LWIBs will share the results of the goal–setting in a future meeting of the new WAC.

7. Assist LWIBs in creating tactical plans to reach their goals, aligned to the statewide goals, and in incorporating core values.

As Arizona's leading business development and attraction agency, the ACA will be the lead facilitator for the statewide sector strategies and regional initiatives. Under this model, Local Workforce Investment Areas will identify industries most critical to their region and to meeting their economic development goals. These tactical plans will focus on partnerships with economic development organizations and local businesses.

Also, the ACA will continue to pursue the five targeted statewide sectors:

- Aerospace and Defense
- Semiconductor
- Bioscience
- Optics
- Renewable Energy

Armed with a clear understanding of Arizona's growth opportunities and business needs, the ACA will be able to better communicate that information to DES and the staff of the local one-stop offices. This process will also allow Local Workforce Investment Areas to:

- leverage statewide workforce resources by integrating workforce experts into the ideal teams for business attraction, expansion and creation; and,
- identify and facilitate programs that address specific economic development opportunities, such as internships, training programs, employee placement and job-matching programs.

Future Vision: No Wrong Door

Navigating government bureaucracy can be frustrating, especially for individuals seeking help in getting on and adopt local measures to support the goals as well as their own local economic development plans. The

their feet. Arizona will be changing the way in which jobseekers and employers interact with local workforce staff:

- A jobseeker will be able to walk into a local one-stop office and, by talking to only one person, learn about the local job market, future opportunities, and local training partnerships.
- A business owner will be able to contact the local economic development office and learn about:
  - adult workers in the pipeline and their level of training;
  - the types of skills that 12th graders receive from local high schools, career and technical courses, or Joint Technical Education Districts; and
  - what type of incumbent or net-new job training programs exist with community colleges or other partners.
- The local education community will be able to create an industry-informed P-20W pipeline, shrinking the need for stop-gap measures.
- All of these activities will be tied to statewide strategic goals and metrics, along with local, tactical, continuous-improvement feedback loops.

Arizona will be laser-focused on connecting people to paychecks and reducing the unemployment rate. Through a strategic partnership between the ACA and DES, the State will be able to effectively match job creators to job seekers. Together, the education system, DES, ACA, WAC and the local partners will work to provide and create a workforce that meets the needs of employers in every industry.

This is an achievable vision. With solid goal-setting, measureable benchmarks and memorialized processes to ensure progress monitoring, the State of Arizona and its workforce development partners will provide the information, resources and training that employers require and Arizona's workers deserve.

B. Economic and Workforce Information Analysis

1. Assessment of the Current Situation and Projected Trends in Arizona's Economy

Prior to the recession that started in 2007, Arizona consistently ranked among the nation's leading states in employment growth. However, the structure of Arizona's economy, closely tied to the construction industry, made it especially vulnerable to the economic and financial crisis.

Along with other states (e.g., Nevada, Florida and California) where employment was heavily dependent on housing growth, Arizona was among the hardest hit by the national recession, and in 2010 its job growth ranking plummeted to 49. As recently as May 2011 its ranking remained low, at 36.

Arizona's economy has rebounded somewhat, and its job growth rate now ranks eighth nationally.

Recent Employment by Industry. In 2011, Arizona had 2.4 million Nonfarm jobs, an improvement of 23,500 jobs over the 2010 annual average employment. However, compared to the peak annual average employment level of 2.7 million in 2007, the 2011 employment level was still down by 271,200 jobs. While the national recession officially ended in June 2009, Arizona total Nonfarm employment continued to post over-the-year losses until November 2010. With only two months of over-the-year gains in 2010, the annual average employment for 2010 was 47,200 less than for 2009.

The table above-right shows annual average employment levels by industry in Arizona for 2007 and 2011 and the employment change in each industry. More industries experienced job losses than gains in 2011 when compared to 2007, indicating the impact that Arizona has felt post-recession. From Arizona's employment peak (2007) through 2011, the only industries to show net gains were Health Care and Social Assistance (+36,100), Private Educational Services (+10,700), and Mining and Natural Resources (+100). All other industries still showed net employment losses compared to 2007.

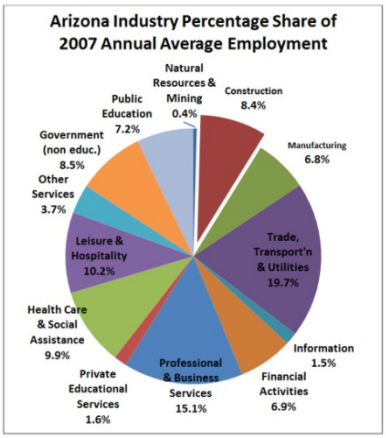
Annual Average Arizona Total Nonfarm Employment

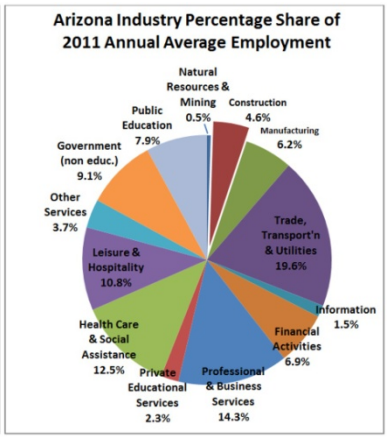
In Thousands

Industry	2007	2011	Change
Health Care & Social Assistance	264.1	300.2	36.1
Private Educational Services	44.0	54.7	10.7
Natural Resources & Mining	11.5	11.6	0.1
Public Education (Government)	192.2	190.3	-1.9
Information	41.5	36.6	-4.9
Government (non education)	228.8	220.1	-8.7
Other Services	99.2	89.6	-9.6
Leisure & Hospitality	273.0	259.1	-13.9
Financial Activities	183.9	166.0	-17.9
Manufacturing	181.7	149.7	-32.1
Trade, Transportation, & Utilities	527.7	472.6	-55.1
Professional & Business Services	404.3	343.4	-60.9
Construction	224.9	111.7	-113.2
Total Nonfarm	**2,676.8**	**2,405.5**	**-271.2**

From 2007 through 2010 all industries except Health Care and Social Assistance and Educational Services posted annual losses. From 2010 to 2011 all industries except Government posted annual average net gains, but the gains were not enough in most industries to return employment to 2007 levels.

The charts below illustrate shifts in the share of Nonfarm employment across Arizona industries from 2007 to 2011. The recession caused some shift in the industry shares; the most notable shift was seen in Construction, which lost 50.3% of its annual average workforce from 2007 to 2011, or 113,200 jobs.





In 2007, Construction accounted for 8.4% of total Nonfarm employment in Arizona and had a notable impact on growth in other industries. By 2011, Construction's share of total Nonfarm employment was reduced to 4.6%. Manufacturing also lost jobs, but at a slower rate than Construction, and in 2011 Manufacturing accounted for a bigger share (6.2%) of total Nonfarm employment than Construction.

Professional and Business Services lost 60,900 jobs, causing its share of employment to drop from 15.1% in 2007 to 14.3% in 2011, while Health Care and Social Assistance and Private Educational Services gained in percentage shares of total nonfarm employment.

Industry Diversification

The Arizona Commerce Authority (ACA) will execute the Governor's strategies outlined in the graphic on page 5. As was stated on that page, the three key strategic actions are to:

- attract businesses to Arizona,
- grow Arizona businesses, and
- create Arizona businesses.

Meanwhile, the Workforce Arizona Council (WAC) will focus on connecting people to paychecks. The WAC and ACA will target five industries statewide, divided into two categories:

- Advanced Industries
  - Aerospace and Defense
  - Semiconductor
- Nascent Industries
  - Bioscience
  - Optics
  - Renewable Energy

Although those industries will be the statewide focus, Arizona will engage in strategic development of *all* members of the economic pipeline, particularly other industries whose local or regional presence affects the targeted industries. For example, manufacturing fits into each of the categories targeted, whether by interchangeable positions or by direct benefit to the current employee/company.

Growth-Related Challenges. Like most growing states, Arizona tends to produce a disproportionately high share of jobs in growth-supporting sectors, such as construction, business services and retail. While that is not a negative factor, per se, fluctuations in those industries can magnify the peaks and valleys of an economic cycle.

Arizona's climate and quality of life have historically been magnets for population growth, which supports further business development and attraction. However, because the growth portion of the economy tends to be very cyclical, economic growth slows when population inflows slow.

The relationship between growth and economic cycles is why the broad-based recession starting in 2007 was particularly damaging to Arizona's economy. As the national housing market collapsed, population inflows stalled, and Arizona lost more than 300,000 jobs between 2008 and 2010. Many of those jobs were directly involved in construction and the industries that construction fuels. For the first time since the end of World War II, the national economy outperformed Arizona's during a recession.

Employment Growth. Proper perspective and effective economic development planning can positively impact future growth and economic conditions. As the U.S. economy recovers, most of the 300,000 lost jobs are expected to be replaced by 2014-2016. In that process, the ACA's focus is to support the creation of higher-wage jobs. This focused and well-planned effort will enhance and accelerate Arizona's economic recovery.

Business Growth. The best opportunities for business recruitment and expansion will arise in industries where there is already a local presence. Opportunities will also come from tangential industries, i.e., industries that utilize similar inputs to those already located in the state. Further, entrepreneurship opportunities will more likely arise out of spinoffs from local companies.

The following represents a high-level overview of the state's current economic base, along with the identification of the ACA's key target sectors.

Advanced Industries

Advanced industries have been growing faster than the overall economy and contribute significantly to the state's economic growth, both in terms of employment and Gross State Product. The ACA is focused on the aerospace and defense and semiconductors industries, which currently contribute to more than 165,000 direct and indirect jobs and 26% of the state's exports.

Aerospace and Defense

- Arizona ranks fifth in the U.S. in terms of Aerospace and Defense employment, with 94,000 direct and indirect jobs.

- Arizona Aerospace and Defense salaries average 83% higher than the average Arizona wage.
- The ACA remains focused on boosting retention at a corporate level, growing second-tier suppliers, championing investment by the U.S. Department of Defense, and facilitating the creation of a consortium to align research and development across the state.

Semiconductors

- Arizona semiconductor companies represent 6% ($3 billion) of the U.S. market and 23,000 jobs.
- With the global semiconductor market forecast to grow by 10% annually and annual revenue exceeding $370 billion in 2014, Arizona's position in the industry will increase by attracting high-quality manufacturing companies and capital investment, targeting semiconductor supply-chain relocation opportunities; increasing exports to key markets such as China, Hong Kong and Thailand; and promoting science and engineering education.

Nascent Industries

The ACA's focus on nascent industries will diversify Arizona's economy, foster innovation and entrepreneurship, and position the state for the future. Nascent industries, which include optics, biosciences and renewable energy, represent a smaller contribution to Arizona's economy, yet they offer great opportunities for growth. They have experienced recent growth and are forecast to be strong industries globally.

Optics/Photonics

- In Arizona, employment in optics-related organizations reached 5,500 direct jobs in 2010.
- Optics wages in Arizona averaged $50,000 in 2010.
- The ACA will position Arizona as a leading player in the optics/photonics industry by encouraging optics cluster services, supporting current businesses, emphasizing incentives to foster new business creation, facilitating research funding, and support education that encourages industry activity and talent development.

Bioscience

- In 2012, the industry contributed 15,000 jobs in Arizona, a 7% increase from 2009.
- The ACA can improve Arizona's position in the bioscience industry by working with Arizona's organizations to increase infrastructure and research investments, encourage commercialization of innovative bioscience products, ensure a friendly business climate, and support education that encourages industry activity and talent development.

Renewable Energy

- There were more than 4,700 direct solar jobs in Arizona as of October 2011, accounting for about 5% of the total solar jobs in the country.
- Between 2010 and 2015, annual capital investment in Arizona solar energy is forecast to increase by 380%, from $84 million to $404 million. Between 2015 and 2020, the forecast growth is nearly 250%, to $1.4 billion.
- To capitalize on Arizona's existing position, the ACA will facilitate the growth of the state's solar energy cluster, encourage funding for solar research, promote funding to foster innovation, help commercialize new technologies, and focus on identifying manufacturing and energy supply opportunities.

Targeted Industry Employment and Wage Trends

As outlined in the ACA strategic plan, the selection of Advanced and Nascent industries for development in Arizona was based in part on their potential for:

- diversifying the state's economy,
- job growth, and
- jobs that carry relatively high educational requirements and offer relatively high wages.

The next table shows the average annual employment by targeted industries as identified in the ACA strategy. Some of the industries are nascent and time series data is not available on those industries. While Aerospace and Semiconductor manufacturing industries are relatively large in terms of employment, optical instrument and lens manufacturing and biotechnology research and development are relatively smaller but have the potential for future growth.

Average Annual Employment by Targeted Industries					
Industry	**2007**	**2008**	**2009**	**2010**	**2011**(p)
Aerospace product & parts manufacturing (NAICS - 3364)	27,426	27,900	30,087	27,105	26,435
Semiconductor and electronic component mfg (NAICS 3344)	27,146	25,459	22,863	22,592	23,108
Optical instrument and lens manufacturing (NAICS 333314)	958	1,089	1,013	1,033	941
Biotechnology research & development (NAICS 541711)	697	759	772	962	1,250

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW)
(p) = preliminary data subject to revision

The table below shows the average annual wages for ACA targeted industries. The data suggests that these industries pay an above average wage. Data from 2007 to 2011 clearly shows the wages in these targeted industries have increased through time despite the tough economic environment.

Average Annual Employment by Targeted Industries					
Industry	**2007**	**2008**	**2009**	**2010**	**2011**(p)
Aerospace product & parts mfg. (NAICS 3364)	$82,457	$83,942	$85,524	$86,274	$90,570
Semiconductor and electronic component mfg. (NAICS 3344)	$88,990	$89,677	$89,734	$104,279	$113,411
Optical instrument and lens mfg. (NAICS 33314)	$54,186	$60,359	$58,347	$60,469	$61,775
Biotechnology research & development (NAICS 541711)	$55,450	$58,379	$62,877	$62,828	$68,326

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW)
(p) = preliminary data subject to revision

Two-Year Industry Projections

Arizona's short-term employment forecast for 2012 and 2013 is shown above-right. The table also lists the major industry sectors and the annual observed growth rate for 2011. The sectors in this forecast are created at a higher level of aggregation using the North American Industrial Classification System (NAICS). The forecast at the lower sub-industry level is not released for confidentiality and other reasons.

Arizona Industry Sector Employment Annual Average Over-the-Year Change (In Thousands)					
	Historical			**Forecast**	
	2009	**2010**	**2011**	**2012**	**2013**
Total Nonfarm	**-190.3**	**-47.2**	**23.5**	**47.1**	**55.8**
Educational & Health Svcs.	9.9	10.9	10.1	10.3	11.5
Leisure & Hospitality	-14.2	-2.1	5.2	9.1	10.5
Trade, Trans & Utilities	-38.4	-10.6	4.8	7.9	10.2
Profess & Business Svcs.	-41.0	-6.3	3.6	6.9	8.5
Construction	-57.4	-17.2	0.2	5.9	6.2
Manufacturing	-19.3	-5.3	1.2	2.3	3.6
Financial Activities	-8.6	-2.9	2.2	2.4	3.1
Government	-9.3	-6.7	-5.9	1.8	1.3
Information	-2.9	-1.6	0.2	0.2	0.5
Other Services	-7.0	-5.2	1.4	0.0	0.4
Natural Resources & Mining	-2.4	-0.2	0.7	0.2	0.1

Source: Office of Employment and Population Statistics, Arizona Department of Administration

The forecast calls for a gain of 47,100 jobs in 2012 and another 55,800 jobs in 2013. This equals an annualized growth rate of 2.0% for 2012 and 2.3% for 2013. The overall employment situation in Arizona is improving and expected to be better than the past two years. However, the rate of growth in Nonfarm employment is forecast to be lower than the average growth rate of 3.2% observed in the years (1997-2006) prior to the recession. Because of steep losses incurred during the recession, recent and forecast gains in Construction place the sector as the top percentage gainer among the major sectors in both the 2012 and 2013 forecast. The Leisure and Hospitality sector is forecast to be the next fastest growing sector, outpacing the Educational and Health Services sector in both years. In 2013 the Professional and Business Services (2.4%) sector and the Manufacturing (2.4%) sector are forecast to have growth rates slightly above the total Nonfarm rate of 2.3%.

The industry sector that is forecast to have the largest number of job gains is Educational and Health Services (EHS), which is forecast to add 10,300 jobs in 2012 and 11,500 jobs in 2013. Health Care industries account for most of the forecast employment growth in the EHS sector, with relatively modest job gains forecast in Social Assistance, and small job losses forecast in Private Educational Services. In addition:

- The Leisure and Hospitality sector is forecast to have the next largest number of job gains (9,100 in 2012 and 10,500 in 2013).
- Trade, Transportation, and Utilities (7,900 in 2012 and 10,200 in 2013) is forecast to have the third largest number of job gains among the major sectors in Arizona.

- The Professional and Business Services sector is forecast to add 6,900 jobs in 2012 and 8,500 jobs in 2013.
- Construction is forecast to add 5,900 jobs in 2012 and 6,200 in 2013.

All of the major sectors except Government and Natural Resources and Mining are forecast to increase the number of job gains in 2013 compared to 2012.

Ten-Year Industry Projections

Following are the 11 major industry sectors and their estimated employment levels for 2010, the forecast levels for 2020, and the 10-year change amounts and percentages.

The ten-year projections for 2010-2020 from the Office of Employment and Population Statistics, Arizona Department of Administration, forecast a gain of about 536,000 Nonfarm jobs over the forecast period. This represents a 20.5% net increase in annual average employment from 2010 to 2020. Again, the sectors in the 10-year forecast are created at a higher level of aggregation using the North American Industrial Classification System (NAICS). The forecast at the lower sub-industry level is not released for confidentiality and other reasons.

Projected Employment Change by Major Industry Sector
in Thousands

	Employment		10-Year Change	
Major Industry Sectors	**2010**	**2020**	**Jobs**	**Percent**
Total Nonfarm	**2,382.0**	**2,894.0**	**512**	**21.5%**
Education & Health Services	344.8	456.5	112	32.4%
Professional & Business Services	339.8	441.2	101	29.8%
Trade, Trans, & Utilities	467.8	562.9	95	20.3%
Leisure & Hospitality	253.9	315.8	62	24.4%
Government	416.3	451.3	35	8.4%
Other Services	88.2	95.4	7	8.1%
Financial Activities	163.8	190.0	26	16.0%
Natural Resources & Mining	10.9	12.9	2	18.3%
Information	36.4	38.4	2	5.6%
Manufacturing	148.5	163.4	15	10.0%
Construction	111.5	166.2	55	49.1%

*Due to rounding, totals may not add up exactly.

Each of the 11 major industry sectors is forecast to grow above its respective 2010 levels by 2020. Similar to the two-year projection, the largest job gains are forecast in EHS, which is forecast to add 145,441 jobs during the forecast period. The Professional and Business Services sector is expected to gain 101,887 jobs and Trade Transportation and Utilities to add 94,938 jobs. The Government sector is expected to see slow growth, increasing by only 0.8% over the 10-year period. The Construction sector is expected to see the largest growth, increasing by 45.15% over the 10-year period.

Ten-Year Occupation Projections

The following table shows Arizona's occupation projections over the 2010-2020 period. It shows the change in employment across 22 major occupational groups in Arizona over the forecast time period. Occupation projections in general are heavily driven by industry concentration and industry projections within the state in addition to other factors.

The occupation forecast data are organized based on the Standard Occupation Classification (SOC) code. The occupational groups are aggregations of similar occupations within the SOC.

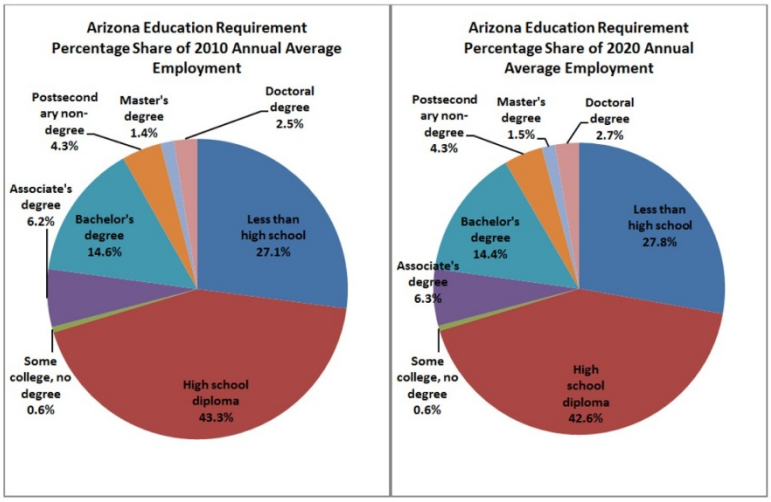
Occupation Projections (2010 - 2020)

Occupation Group	2010 Est.	2020 Proj.	Amount Change	Percent Change
Construction/Extraction	129,764	176,989	47,225	36.39%
Healthcare Support	73,387	97,183	23,796	32.43%
Healthcare Practitioners and Technical	138,613	181,181	42,568	30.71%
Food Preparation and Serving Related	220,320	276,936	56,616	25.70%
Building and Grounds Cleaning and Maint.	104,323	130,038	25,715	24.65%
Community/ Social Svcs.	36,704	44,624	7,920	21.58%
Business and Financial	131,223	159,362	28,139	21.44%
Installation, Maintenance, and Repair	102,821	124,841	22,020	21.42%
Transportation and Material Moving	144932	173019	28087	19.38%
Personal Care and Service	83,203	99,222	16,019	19.25%
Education and Training	146,676	174,566	27,890	19.01%
Legal	21,744	25,876	4,132	19.00%
Computer and Math.	64,910	77,159	12,249	18.87%
Sales and Related	284,244	337,534	53,290	18.75%
Office and Admin. Support	452,585	530,857	78,272	17.29%
Production	108,328	125,717	17,389	16.05%
Arts, Design, Entertainment, Sports, Media	38,925	45,109	6,184	15.89%
Life, Physical and Social Science	21,096	24,382	3,286	15.58%
Architecture and Eng.	51,133	58,661	7,528	14.72%
Management	166,348	185,421	19,073	11.47%
Protective Service	74,647	83,139	8,492	11.38%

Source: Office of Employment and Population Statistics, Arizona Department of Administration

As in the industry projections, Healthcare occupations are forecast to be the fastest growing among the occupational groups. Construction and Extraction occupation ranks at the top with a growth rate of

36.4%. Healthcare Support occupations have a 32.4% growth rate, and Healthcare Practitioners and Technical operations have a 32.4% growth rate. Healthcare Practitioners and Technical occupations typically require more training and education than Healthcare Support occupations, but there are some exceptions. Healthcare Practitioners and Technical occupations on average pay more compared to Healthcare Support occupations based on Arizona wage survey data from the Occupational Employment Statistics program compiled in cooperation with the U.S. Bureau of Labor Statistics.



Occupations that begin with a much larger employment base will have a larger number of openings despite a comparatively slower growth rate percentage. For example, Office and Administrative Support occupations are projected to grow at 3.0%. Ranked by growth rate, Office and Administrative Support occupations are in eighth place. However, because of a large employment base, Office and Administrative Support occupations have the second-largest total openings (13,201). Thus some of the fastest growing occupations do not necessarily have the largest number of job openings, and some of the occupations that have the most job openings do not pay particularly high wages and may have higher-than-average turnover.

To assist in ranking occupations that might have the best potential for opportunity in the local job market based on multiple occupational statistics, the Training and Education Resource Model (TERM) was developed.

TERM ranks occupations based on:

- labor market statistics for projected numbers of job openings, growth rates, wages, turnover and skills (educational and training requirements from the Bureau of Labor Statistics are also included for each occupation), and
- their relative percentile rankings in the above mentioned labor market statistics (this provides a list of occupations that have comparatively strong labor market statistics in multiple dimensions).

An update to TERM for 2010-2020 will be available at a later date. The implications of the TERM model for 2008-2018 are discussed in Section II of the State Operation Plan.

Projected Educational Requirements, 2010-2020

The pie charts above illustrate the projected shifts in educational requirements across Arizona occupations from 2010 to 2020. The most notable projected shift will be seen in the occupations requiring a high school degree or lower; those occupations constitute 70.4% of the total jobs in 2010 (1.1% higher than the national average), and the share of occupations requiring a high school diploma will decrease by 0.7% to 42.6% in 2020.

The percentage of occupations that require less than a high school diploma is projected to increase from 27.1% in 2010 to 27.8% in 2020, almost 2% higher than the national average (25.9%). In 2020, the proportion of Arizona occupations requiring a bachelor's degree will decrease by 0.2%. As Arizona looks for economic improvement, we anticipate that as the housing market improves the need for construction and landscaping jobs, which are in the low education category, will increase.

This decrease does not follow national projected trends, which see occupations requiring a bachelor's degree increasing from 15.5% to 15.8%. The proportion of occupations in Arizona requiring a master's degree will increase by 0.1% in 2020. As of 2010, a significantly higher proportion (70.4%) of Arizona occupations requires a high school diploma or lower. With a focus for Arizona being higher skilled industries, we are developing strategies to double our BA degrees in order to be attractive to new business. This is one of the four goals in Arizona Ready – the Governor's Education reform plan. It is also a key goal for Arizona universities as outlined in their strategic plan, Vision 2020. In addition, we are part of a Lumina Foundation Grant called "Getting Ahead", which is focused on a more aggressive college completion agenda. That has inspired much stronger relationships between high schools, community colleges, and

universities to create a more effective pipeline. AZ-Transfer.com is a good example of this. This intense focus on increasing college completion – including AA degrees and skilled trade certificates – are creating the workforce we need to be attractive to higher end employers.

The forecasts are based on historical trends and reflect the higher concentration of sectors typically seen in Arizona. However, with the focus on attracting higher education and higher wage jobs as outlined in the Governor's vision, these trends might change.

2. Assessment of Workforce Skills Needed for Economic Growth

Fulfilling the Governor's Vision requires that job seekers possess work skills valued by industries and companies that will fuel Arizona's economic growth. The DES/ACA sector strategy teams will work with Arizona's educational institutions regarding curricula and capacity building that fits the direct and indirect skills needed for the five targeted sectors.

Based on the sector strategy approach to align and assist in meeting the needs of employers, the Workforce Arizona Council (WAC) Education Committee will facilitate the use of labor market information that is conducive to each Local Workforce Investment Area in determining the labor needs of its particular employer community. Moving forward, Local Workforce Investment Areas will become increasingly proficient in the use of such tools as Wanted Analytics to conduct regionally based analysis of labor market forces and requirements for a skilled workforce.

Local workforce development efforts will leverage the data collected by studies such as "Arizona's Technology Workforce: Issues, Opportunities and Competitive Pressures," conducted by Arizona State University. The ASU study was conducted to determine whether high-technology firms in Arizona have been constrained by a low supply of science and engineering workers. Of the 134 participating employers, there was little evidence of dissatisfaction with the quantity and quality of graduates from Arizona's education institutions. The main concern was the lack of experienced workers. The study itself caused some employers to reflect on their hiring and retention practices, with more companies focusing on hiring recent graduates and focusing on training and promoting from within, while others are evaluating their job descriptions to reflect more realistic skill sets to meet their job descriptions.

In order to ensure an open line of communication and resource sharing, DES plans to facilitate regular web conferencing that will offer the Local Workforce Investment Areas the opportunity to engage in conversations with the WAC, the Department of Administration's Office of Employment and Population Statistics, and DES Employment Service. These conversations will revolve around the needs of local areas for specific labor market information that will be relevant and help the Local Workforce Investment Areas stay current with workforce training requirements.

The key to addressing skill gaps is the interaction between workforce professionals and businesses. This initiative described above promotes working together to meet the skill needs of employers and close skill gaps. The Local Workforce Investment Area Boards (LWIBs) will identify specific high-growth, high-demand jobs to target skills training and employment. At the same time, employers will be encouraged to expand work base opportunities, continually emphasizing on-the-job training, work experience and apprenticeships.

As an example of how skill gaps can be addressed in an interactive environment, on September 25, 2012, two dozen industry leaders from a broad range of Aerospace and Defense companies provided their input and insights in a four-hour on-line session. The meeting was conducted using Advanced Strategy Lab methodology that allowed for real-time, anonymous and open brainstorming and assessment of strategic issues.

Among the key findings from the session was that, despite the scope and complexity of the skills gap issue, four out of five participants indicated that this was a challenge that could be addressed with the right mix of leadership, skills, time, effort and strategy.

This meeting technique will serve as a pilot for future interactions. The session was well received, with an assessment of 8.4 (10-point scale) on the process that was used for the session, and with 90% of the participants indicating that they would be willing to continue to provide input and insights in that environment.

Top Skills Required for Economic Growth

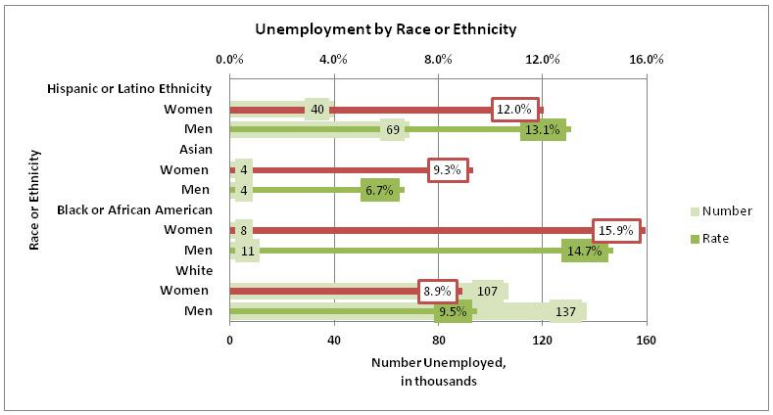
Source: EMSI, O*NET

SOC Code	Description	Education	Skills 1	Skills 2	Skills 3	Skills 4
11-1021	General and Operations Managers	Associate's degree	Administration and Management	Customer and Personal Service	Personnel and Human Resources	-
11-9199	Managers, All Other	Work experience in related occupation	Production and Processing	Administration and Management	Transportation	English Language
13-1023	Purchasing Agents, Except Wholesale, Retail, and Farm Products	Moderate-term on-the-job training	English Language	Administration and Management	-	-
13-1111	Management Analysts	Work experience in related occupation	Customer and Personal Service	Administration and Management	English Language	Personnel and Human Resources
15-1132	Computer Software Engineers, Applications	Bachelor's degree	Computers and Electronics	Mathematics	English Language	Engineering and Technology
15-1133	Computer Software Engineers, Systems Software	Bachelor's degree	Computers and Electronics	Engineering and Technology	English Language	Customer and Personal Service
17-2031	Biomedical Engineers	Long-term on-the-job training	Biology	Mathematics	Engineering and Technology	Physics
17-2061	Computer Hardware Engineers	Bachelor's or higher degree, work experience	Computers and Electronics	Engineering and Technology	English Language	Telecommunications
17-2071	Electrical Engineers	Bachelor's degree	Engineering and Technology	Design	Computers and Electronics	Mathematics
17-2072	Electronics Engineers, Except Computer	Bachelor's degree	Engineering and Technology	Design	Computers and Electronics	Mathematics
17-2112	Industrial Engineers	Moderate-term on-the-job training	Engineering and Technology	Production and Processing	Mathematics	Mechanical
17-2141	Mechanical Engineers	Short-term on-the-job training	Engineering and Technology	Design	Mechanical	Mathematics
17-3023	Electrical and Electronic Engineering Technicians	Bachelor's degree	Engineering and Technology	Computers and Electronics	Mechanical	Telecommunications
19-1021	Biochemists and Biophysicists	Doctoral degree	Biology	Chemistry	Engineering and Technology	Production and Processing
19-1042	Medical Scientists, Except Epidemiologists	Doctoral degree	Biology	English Language	Mathematics	Medicine
19-4021	Biological Technicians	Bachelor's degree	Biology	Chemistry	Mathematics	English Language
41-4012	Sales Representatives, Wholesale and Manufacturing	Work experience in related occupation	Sales and Marketing	Customer and Personal Service	Mathematics	Administration and Management
43-4051	Customer Service Representatives	Bachelor's degree	Customer and Personal Service	Clerical	English Language	
43-5071	Shipping, Receiving, and Traffic Clerks	Moderate-term on-the-job training	Production and Processing	Customer and Personal Service		
43-6011	Executive Secretaries and Administrative Assistants	Work experience in related occupation	Clerical	English Language	Customer and Personal Service	Computers and Electronics
49-3011	Aircraft Mechanics and Service Technicians	Bachelor's or higher degree, work experience	Mechanical	Design	Customer and Personal Service	Engineering and Technology
51-1011	First-Line Supervisors/Managers of Production and Operating Workers	Bachelor's degree	Production and Processing	Mechanical	Administration and Management	Personnel and Human Resources
51-2011	Aircraft Structure, Surfaces, Rigging, and Systems Assemblers	Work experience in related occupation	Mechanical	English Language		
51-2022	Electrical and Electronic Equipment Assemblers	Bachelor's degree	Production and Processing			
51-2092	Team Assemblers	Postsecondary vocational award	Production and Processing			
51-4041	Machinists	Postsecondary vocational award	Mechanical	Production and Processing	Mathematics	Design
51-4121	Welders, Cutters, Solderers, and Brazers	Postsecondary vocational award	Mechanical	Design		
51-9061	Inspectors, Testers, Sorters, Samplers, and Weighers	Short-term on-the-job training	Production and Processing	English Language		
51-9083	Ophthalmic Laboratory Technicians	Moderate-term on-the-job training	Customer and Personal Service	Mathematics		
51-9141	Semiconductor Processors	Long-term on-the-job training	Production and Processing	English Language	Public Safety and Security	Computers and Electronics

3. Population Characteristics and Employment-Related Needs

As was discussed in the Governor's Vision on page 6 of this plan, Arizona's workforce is comprised of three segments:

- individuals in the State's safety net and served by Arizona workforce programs who are unemployed and do not have the skill set or ability to enter the workforce;
- former workers who need to be retrained in order to have meaningful employment in a changing economy; and
- workers who have the ability to be trained for highly skilled jobs.



Familiarity with Arizona's unemployment insurance benefits, unemployment rate, and workforce population and demographics is helpful in focusing on skill building and training in the five statewide targeted industries as well as all the industries that form the comprehensive pipeline needed to meet business needs and expectations.

Employment Status of Civilian Non-Institutional Population

The Bureau of Labor Statistics produces yearly employment status of the civilian non-institutional population by sex, race, ethnicity and age. A partial list of the most recent Arizona survey data is included in the chart above-right.

Of the race and ethnic groups included, the highest unemployment rate in 2011 was among Black or African Americans at 15.2%. Black or African American Women experienced a higher unemployment rate (15.9%) than Black or African American Men (14.7%).

The second-highest unemployment rate was among the Hispanic or Latino population (12.7%). Unemployment among Hispanic or Latino Men was 13.1%; among Women, 12.0%.

Following these groups were Whites (9.2%) and Asians (7.7%). While Whites experienced a lower unemployment rate than other groups, they comprise the largest total number of unemployed persons.

In 2011, the 16-to-19 and 20-to-24 age groups experienced the highest unemployment rates of all age groups, at 25.3% and 14.6%, respectively. All other age groups experienced unemployment rates below the 2011 average of 9.5%:

- 25 to 34 (9.3%),
- 35 to 44 (8.2%),
- 45 to 54 (7.6%),
- 55 to 64 (7.9%), and
- 65 years and over (8.2%).

In this recession, there is anecdotal evidence that a lot of the jobs that were typically held by the youth have been taken over by the older population who provide income for the entire household. With fewer jobs available in the market, the youth unemployment rate has increased. The unemployment rate among the youth appears to be much higher than the other age groups as indicated in the table above. The unemployment rate among the 16-19 year olds is 25.3% and among the 20-24 year olds is 14.6% as compared to the unemployment rate of 9.3% among the 25-34 year olds and 8.2% among the 35-44 year olds. As indicated earlier in Page 13, the occupational projections indicate an increase in the number of jobs requiring a less than high school diploma from 27.1% in 2010 to 27.8% in 2010. Also, the share of Arizona's occupations that require a bachelor's degree are to decrease by 0.2% in 2020. These projections were made based on the past trends observed within the State as of 2010. As the new policies are implemented and the job growth is observed in the targeted industries, it should shift the existing employment mix to those that require higher education, causing a different trend to emerge. Arizona's population is also expected to grow and change over the decade. The newer trend should be reflected in the new set of projections. Additional job creation is expected to bring down

the unemployment rate of Arizona's general population as well as the youth if these policies ultimately come to fruition.

Unemployment Insurance

The chart (see below) illustrates, from 2006 to 2009 the number of Arizonans collecting regular unemployment benefits more than quadrupled. In 2011 (the latest annual average available) the number declined by 35% from the peak 2009 figure but is still greater than the 2008 level. A portion of the decline since 2009 can be attributed to benefits ending for some unemployed workers.

The number of individuals collecting regular benefits in 2011 represented about 23% of all unemployed Arizonans, based on a comparison of claims data and Local Area Unemployment Statistics (LAUS) data. LAUS data is used to calculate the unemployment rate. If extended claims benefits are included in the comparison, those collecting benefits represent about 46% of the unemployed. In times of relatively low unemployment, such as 2006, persons collecting benefits represent about 20% of all unemployed workers. During those times, extended benefits are not available.

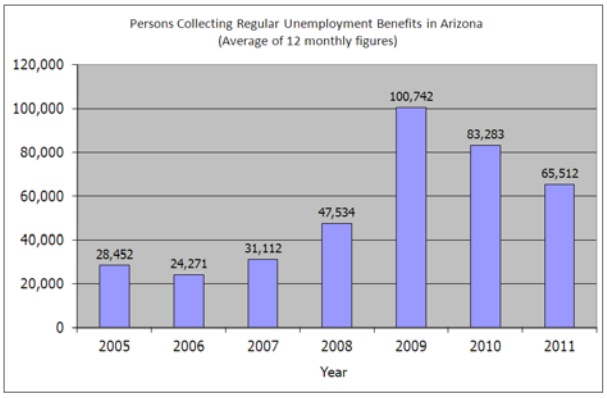
The number of people collecting benefits appears to be a leading indicator of the unemployment rate. That number hit a low in 2006, and Arizona's unemployment rate bottomed out a year later. In contrast, the number of Arizonans collecting unemployment benefits peaked in 2009, but the state's unemployment rate was at its highest in 2010.

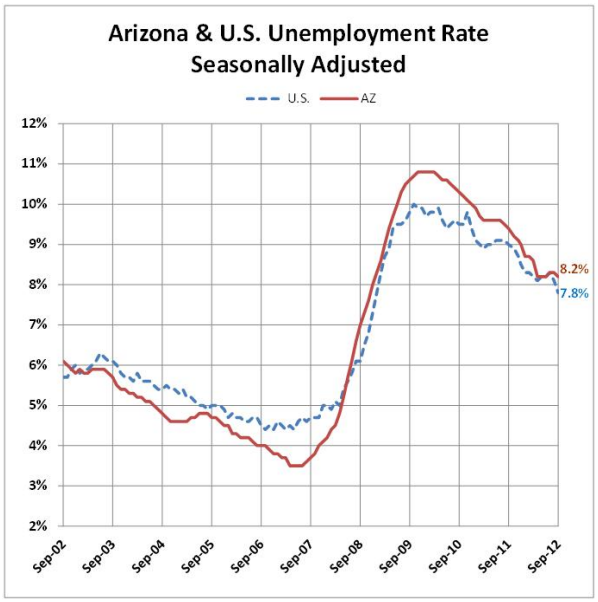
Unemployment Rate

From March 2003 through May 2008, Arizona's unemployment rate was lower than the national rate. However, since June 2008, Arizona has experienced a higher unemployment rate than the national average.

The U.S. unemployment rates peaked at 10.0% in October 2009 and, for Arizona, at 10.8% in November 2009. Based on data available for September 2012, Arizona has narrowed its unemployment gap, with the state's unemployment rate at 8.2%, in comparison to 7.8% for the U.S. (see chart below).

If current trends continue, the unemployment rate for Arizona, as well as the nation, will continue to decline, and Arizona will resume its climb toward the top of high job-growth states.





Arizona Employment Status of the Civilian Noninstitutional Population

By Gender, Race, Hispanic or Latino Ethnicity, Marital Status and Detailed Age

2011 Annual Averages

(in thousands)

		Civilian Labor Force		Employment		Unemployment	
Population Group	**Civilian Non-Institutional Population**	**Number**	**Population %**	**Number**	**Population %**	**Number**	**Rate (%)**
Total	**4,926**	**3,021**	**61.3**	**2,732**	**55.5**	**288**	**9.5**
Men	2,440	1,651	67.6	1,490	61.1	161	9.7
Women	2,486	1,370	55.1	1,242	50	128	9.3
White	**4,307**	**2,655**	**61.7**	**2,410**	**56**	**245**	**9.2**
Men	2,125	1,442	67.8	1,304	61.4	137	9.5
Women	2,181	1,213	55.6	1,106	50.7	107	8.9
Black or African American	**205**	**127**	**62.1**	**108**	**52.6**	**19**	**15.2**
Men	107	74	69	63	58.8	11	14.7
Women	97	53	54.5	45	45.8	8	15.9
Asian	**151**	**100**	**66.4**	**92**	**61.3**	**8**	**7.7**
Men	80	61	76.3	57	71.2	4	6.7
Women	71	39	55.2	35	50.1	4	9.3
Hispanic or Latino ethnicity	**1,370**	**863**	**63**	**754**	**55**	**109**	**12.7**
Men	711	529	74.3	460	64.6	69	13.1
Women	659	334	50.8	294	44.7	40	12
Married men, spouse present	1,224	879	71.8	821	67	59	6.7
Married women, spouse present	1,280	698	54.6	651	50.8	47	6.8
Women who maintain families	293	194	66.3	177	60.3	17	8.9
16 to 19 years	349	112	32	83	23.9	28	25.3
20 to 24 years	434	306	70.6	262	60.3	45	14.6
25 to 34 years	853	667	78 2	605	70 9	62	9.3
35 to 44 years	862	678	78.7	623	72.3	56	8.2
45 to 54 years	869	680	78.3	628	72.3	52	7.6
55 to 64 years	748	453	60.5	417	55.8	36	7.9
65 years and over	812	125	15.4	115	14.1	10	8.2
Men							
16 to 19 years	180	55	30.4	40	22.1	15	27.3
20 to 24 years	233	176	75.3	152	65.2	24	13.4
25 to 34 years	443	381	86.2	343	77.5	38	10
35 to 44 years	431	374	86.9	345	80	30	7.9
45 to 54 years	427	365	85.4	336	78.7	28	7.8
55 to 64 years	352	230	65.2	209	59.3	21	9.1
65 years and over	374	70	18.8	65	17.4	5	7.1
Women							
16 to 19 years	169	57	33.7	44	25.8	13	23.4
20 to 24 years	200	131	65.2	109	54.6	21	16.2
25 to 34 years	410	285	69.6	261	63.8	24	8.3
35 to 44 years	431	304	70.6	278	64.5	26	8.6
45 to 54 years	442	315	71.4	292	66.1	24	7.5
55 to 64 years	396	223	56.4	209	52.6	15	6.6
65 years and over	438	55	12.5	49	11.3	5	9.6

Source: Bureau of Labor Statistics (see http://www.bls.gov/lau/home.htm#ex14 for more information)

Population and Demographics

Between 2000 and 2010, Arizona's population grew by more than 1.26 million. Its 10-year growth rate (24.6%) was the second highest in the nation, trailing only Nevada (35.1%). During the same period, the U.S. population grew by 9.7%.

Planning projections are based on assumptions that Arizona's population will continue to grow, but at a slower rate than in the recent past.

Age. Notwithstanding its large retiree population, Arizona overall population is among the nation's youngest. Arizonans' median age (35.9 years) is the ninth-lowest among the 50 states, and the percent of citizens age 20 and younger ranks seventh.

Natural Growth. More than 39% of Arizona's total population growth from 2000 to 2010 was "natural growth" (i.e., births minus deaths). The natural growth rate has slowed in recent years, but births continue to outnumber deaths by a substantial margin.

Arizona's births peaked in 2007, at nearly 103,000, before dropping in 2011 to just below 85,000 – a 17% decrease for the four-year period. During the same four years, the number of deaths per year increased slightly, from approximately 45,000 to just less than 47,000. Overall, in four years the state's natural population growth dropped from 58,000 per year to 38,000.

The decline in the number of births is likely the result of two main factors – declining birth rates and net outmigration of women in their childbearing years – that were probably exacerbated by the severity of the national recession in Arizona. The state's total fertility rate dropped from 2.35 in 2000 to 2.08 in 2010, with the bulk of the drop occurring in the last three years of the decade. With Arizona's economy recovering, the birth rate decline is expected to slow, and the flow of migration is likely to reverse course, resulting in net in-migration.

Migration. Between 2000 and 2010, Arizona gained more than 765,000 people through net migration (domestic and international), accounting for nearly 61% of the total population growth during that period.

Although the State Demographer's Office does not expect that trend to continue through the current decade, net in-migration is anticipated to play a significant role. See chart (to the upper right) for a comparison of Arizona and U.S. population and demographic statistics.

People QuickFacts	*Arizona*	*USA*
Population, 2011 est.	6,482,505	311,591,917
Population, 2010	6,392,017	308,745,538
Population, percent change, 2000 to 2010	24.6%	9.7%
Population, 2000	5,130,632	281,421,906
Persons under 5 years, 2010	7.1%	6.5%
Persons under 18 years, 2010	25.5%	24.0%
Persons 65 years and over, 2010	13.8%	13.0%
Female persons, percent, 2010	50.3%	50.8%
White persons, percent, 2010[a]	73.0%	72.4%
Black persons, percent, 2010[a]	4.1%	12.6%
American Indian and Alaska Native persons, percent, 2010[a]	4.6%	0.9%
Asian persons, percent, 2010[a]	2.8%	4.8%
Native Hawaiian and Other Pacific Islander, percent, 2010[a]	0.2%	0.2%
Persons reporting two or more races, percent, 2010	3.4%	2.9%
Persons of Hispanic or Latino origin, percent, 2010[b]	29.6%	16.3%
White persons not Hispanic, percent, 2010	57.8%	63.7%
Living in same house 1 year & over, 2006-2010	79.8%	84.2%
Foreign born persons, percent, 2006-2010	14.2%	12.7%
Language other than English spoken at home, pct age 5+, 2006-2010	27.1%	20.1%
High school graduates, percent of persons age 25+, 2006-2010	85.0%	85.0%
Bachelor's degree or higher, pct of persons age 25+, 2006-2010	26.3%	27.9%
Veterans, 2006-2010	542,210	22,652,496
Housing units, 2010	2,844,526	131,704,730
Homeownership rate, 2006-2010	67.4%	66.6%
Housing units in multi-unit structures, percent, 2006-2010	20.7%	25.9%
Median value of owner-occupied housing units, 2006-2010	$215,000	$188,400
Households, 2006-2010	2,326,468	114,235,996
Persons per household, 2006-2010	2.63	2.59
Per capita money income in past 12 months (2010 dollars) 2006-2010	$25,680	$27,334
Median household income 2006-2010	$50,448	$51,914
Persons below poverty level, percent, 2006-2010	15.3%	13.8%

(a) Includes persons reporting only one race.
(b) Hispanics may be of any race, so also are included in applicable race categories.
Source: US Census Bureau State & County QuickFacts

4. Skill and Education Gaps for Targeted Populations in the Integrated Workforce Plan

In order to compete nationally and globally, Arizona will need to supply a deeper pool of skilled and educated workers. U.S. Census data identifies 825,000 Arizona adults (17%) who lack a high school diploma and an additional 384,000 adults (10%) who are English language learners.

Undereducated adults disproportionately impact the state's economic health. The U.S. Department of Labor, Bureau of Labor Statistics, has estimated that the median 2008 earnings of a person with less than a high school diploma in Arizona was $8,850 less per year than a person who has a high school diploma or General Educational Development (GED) certificate. The 825,000 undereducated Arizonans suffer an aggregate $7.3 billion loss in personal income per year, with an equivalent loss of yearly taxable income for the State of Arizona.

Predictably, education at the college level has a major impact on employability. The average unemployment rate is:

- 4.9% for individuals with a bachelor's degree or higher,
- 8.3% for individuals with some college or an associate degree,
- 10.6% for high school graduates with no college, and
- 14.7% for adults who did not finish high school or earn a GED certificate.

Besides experiencing lower employment rates than their better-educated peers across the state, high school dropouts in Arizona are also much more likely to encounter a wide array of labor market problems, including open employment, hidden employment, underemployment and low wages.

- From January 2008 through September 2009, Arizona's average monthly underutilized labor pool (ages 18-64) population was 55% higher for adult dropouts than for high school/GED diploma holders.
- Adults without a high school/GED diploma are likely to live in poverty for nearly twice as many years as high school/GED diploma holders.
- They will spend 54% of their adult working life in the "low income" category or lower.
- Low-income adults are substantially more likely to be dependent on cash assistance and in-kind transfer programs, including the Supplemental Nutrition Assistant Program (SNAP), rental subsidies, energy assistance and Medicaid to support themselves and their children.
- Almost 20% of Arizona heads of households who do not have a high school/GED diploma are reliant on SNAP benefits, versus only 9% of high school/GED diploma holders.
- Over the working-age lifetime (18-64), the gap in Arizona between the net fiscal contributions of a high school/GED diploma holder and a high school dropout would be approximately $265,700.

Arizona Adult Education

A 2011 policy paper, *The Return on Investment (ROI) From Adult Education and Training*, published by the McGraw-Hill Research Foundation states:

> "A preemptive focus on adult education actually saves governments money by reducing societal healthcare, public assistance, and incarceration costs. Adult education also improves and expands the nation's available pool of human capital by helping motivate under-educated people achieve gainful employment in today's increasingly high-tech and global job market, and at a far lower cost per learner when compared to either K-12 or higher education."

Authorized by Title II of the Workforce Investment Act of 1998 (WIA), Arizona Adult Education serves as a key component of the State's safety net for its 1.1 million undereducated adults. Arizona Adult Education delivers Adult Basic Education (ABE), Adult Secondary Education (ASE), and English Language Acquisition for Adults (ELAA) services to adults age 16 or older who are not enrolled in K-12 schools.

Arizona Adult Education (AAE) is an educational system of rigorous delivery and accountability and one of the state's most effective tools in building a skilled workforce and achieving economic competitiveness. Required by the U.S. Department of Education (ED) to increase, annually, Arizona's achievement in 15 performance measures, AAE was ranked fourth in the nation by the ED in 2010 and 2011. Over 35,000 adults

are served annually by this system, which also produces 20% of Arizona's high school diplomas each year. The demand for AAE services is reflected in the more than 6,000 adults on waiting lists, which have a two-year backlog in some areas of the state.

AAE collaborates actively at both the state and local levels with its Workforce partners. Current highly effective capacity-building efforts include the following:

AZ I-BEST enables the Arizona Workforce Development System to serve a population whose low literacy skills prevent them from participation in postsecondary skills training programs for which they would otherwise not qualify. AZ I-BEST programs are active local collaborations between an adult education provider, a skill training provider, and a local one-stop center. This initiative's ultimate purpose is to prepare GED-seeking adults with basic literacy skills, post-secondary credentials, and the work-readiness skills necessary for unsubsidized employment.

College & Career Pathways enables all students enrolled in Adult Education, even those functioning at very low literacy levels, to set goals and ultimately achieve successful transition to postsecondary education and/or work. Local adult education programs are currently implementing essential components of nationally-recognized college and career readiness models. This initiative's ultimate purpose is to double, then continually increase, the number of students successfully transitioning to post- secondary education and unsubsidized employment.

Transforming Education Through Technology Pilots transform how adult education instruction is delivered. Local adult education programs utilize a one-to-one computer model to explore the implications for accelerating student learning and increasing the existing ground-based system's capacity to serve more learners through innovative use of technology.

ADE Career and Technical Education

Arizona Skills Standards Commission

In order to positively impact human capital for economic development in Arizona and prepare students for successful transition to employment and continuing postsecondary education, the Arizona Department of Education (ADE) Career and Technical Education Section, in collaboration with the University of Arizona, established the Arizona Skills Standards Commission.

The Commission will support the requirements outlined in the following state and federal laws:

- HB 2700 (2006)
  - 3(d): Program will be designed to lead the student toward certification that is accepted by a vocation or industry as a demonstration of skill or competency in that vocation or industry.
  - 3(e): Requires students to obtain a passing score on an examination that demonstrates a level of skill or competency for that program of study that is accepted by a vocation or an industry.
  - 3(f): Meets the standards of a career preparatory vocational program as determined by the Career and Technical Education Division of the Department of Education.
- Carl D. Perkins Career and Technical Education Improvement Act of 2006
  - Section 113 Accountability (b)(2)(A)(ii): Student Attainment of career and technical skill proficiencies including student achievement on technical assessments that are aligned with industry recognized standards if available and appropriate.
  - The Arizona Skill Standards Commission will fully engage Arizona business and industry employers in collaborative efforts with community and national organizations in the following responsibilities for high-skill, high-wage and high-demand occupations to do the following:
    - certify valid industry recognized standards;
    - validate assessments;
    - award the credential to students who have passed the assessment;
    - create a brand for a value-added credential; and
    - align efforts with existing credential systems by professional groups and trades.

Workforce Education Development Office

The Workforce Education Development Office (WEDO) was established in January 2007 to provide research and leadership, deliver professional development, and establish a skills assessment system that meets the needs of Career and Technical Education (CTE) in Arizona.

WEDO has produced industry-validated standards for all CTE programs and an online skills assessment delivery system that serves secondary, comprehensive CTE, Joint Technological Education Districts (JTED), Community Colleges, and Arizona One Stop Service Centers. The Arizona CTE delivery system includes JTED comprehensive high schools within Arizona's unified and union high school districts and other State-

funded CTE providers. Articulation among secondary and post-secondary institutions (i.e., community colleges, trade and technical schools, and four-year colleges) is required by both State and federal mandates and within the WEDO scope of work.

WEDO works closely with Arizona business and industry to validate skill standards and measurement criteria and award certification of skills to students completing one of approximately 70 CTE programs. The aforementioned Arizona Skill Standards Commission validates and recognizes State-established skill standards that guide curriculum development, skill assessment specific to CTE programs, and documentation of skill attainment for students preparing to enter the workforce and/or transitioning to post-secondary education.

WEDO is leading the Rubric development. A rubric is:

> "… an explicit set of criteria used for assessing a particular type of work or performance. A rubric usually also includes levels of potential achievement for each criterion, and sometimes also includes work or performance samples that typify each of those levels. Levels of achievement are often given numerical scores. A summary score for the work being assessed may be produced by adding the scores for each criterion. The rubric may also include space for the judge to describe the reasons for each judgment."

The Governor's Council on Workforce Policy encourages Local Workforce Investment Area Boards (LWIBs) to create a plan to use the Rubrics process to assess and teach the soft skills that employers seek when hiring quality talent.

Skill and Education Gaps

Individuals' employment goals will be determined based on their employment interest. Local labor market information will be used to assist in goal development, consistent with local employment strategies to produce optimum employment opportunities. High growth areas of employment within a local economy, in coordination with the Local Workforce Investment Area's sector strategy, will be a major factor in the determination of employment goals and related employment training programs.

Local Workforce Investment Areas will engage in discussions with employers, economic development entities and One Stop staff who work with employers to ensure that training plans are consistent and current with the local workforce direction regarding employment preparation.

Each Local Workforce Investment Area will focus on community providers to help address the barriers unique to each targeted population. Although employment needs are the focus of the workforce system, social and emotional needs should also be taken into consideration, in order to offer the best opportunity for individuals to achieve true self-sufficiency. By addressing targeted populations based on a "person-centric" approach, job seekers will be better positioned to focus on work-related activities, thereby presenting more qualified and confident candidates to employers.

For example, in addressing the employment needs of the older worker population, the workforce system will work to strengthen its relationship with the network of Area Agencies on Aging (see Section II-H of this plan) and the efforts of the Governor's Advisory Council on Aging. Another example is provided by Maricopa County, which has MAXIMUS staff located at the comprehensive One Stop Service Centers, provides services to TANF recipients, and has an established referral process for co-enrollment into WIA programs.

Local areas will continue to partner and look for new opportunities to serve individuals with disabilities through the use of assistive technology and efforts such as Untapped Arizona, whose mission is "to serve Arizona businesses to meet their inclusive workforce needs through a coordinated, customer service-oriented, 'One Stop shop' strategy." Untapped Arizona is striving to become the lead resource for connecting businesses directly with qualified job candidates who have disabilities.

Veterans and spouses of veterans will continue to be identified upon entering the One Stop Service Centers. Efforts such as the Yuma Private Industry Council's workshops for veterans and spouses interested in learning more about job opportunities, retraining and local business investment programs serve as models for other Local Workforce Investment Areas. Veterans will also be served by the newly opened Kino Veteran's Workforce Center in Tucson. The center is a community focal point for veterans to investigate employment opportunities and receive assistance with job training, benefits and other supportive services.

Arizona will focus on strengthening the MOUs in each Local Workforce Investment Area to emphasize the critical nature of a well-planned, coordinated system of leveraging assessment resources. The goal is to align not only the training needs of the targeted populations served by the workforce system, but also to realistically balance personal interests in employment and the use of limited financial resources for training programs that will benefit the individual, the employers, and ultimately the broader community.

5. Education, Skills and Training Challenges

A primary objective of public workforce investment systems is to prepare and connect all citizens to constantly changing work opportunities. In Arizona, the expectation is that work opportunities will include direct or indirect support of the five targeted industries[1], plus specific local and regional sector strategies.

Tens of thousands of low-skilled, low-wage, multiple-barrier workers in Arizona present particular and systemic challenges to this objective, in that they are under-prepared to compete in today's economy due to education and skill deficits, lack of work readiness and other substantial barriers. An important goal of the public safety net system is growing the capacity of its consumers beyond the circumstances for which they entered the system.

Two major considerations related to education, skills, and training challenges are:

- the approach for building the skills of Arizonans to meet employers' needs, and
- a recognition that education and skill building must begin at a young age.

While the previous section specifically addressed the safety net of adult basic education and the work in Arizona on CTE and at the Arizona Skills Standards Commission, creating an educated workforce requires a robust pipeline at all levels. To that end, the Governor's Council on Workforce Policy (GCWP) created an Education Committee as a partnership involving education, employment and economic development.

The Education Committee will continue to work with a cross-agency team from the Department of Economic Security (DES), Arizona Commerce Authority (ACA), Department of Education (ADE), Arizona Board of Regents, Local Workforce Investment Areas and the Governor's Office on Education Innovation. The purpose of the team will be to provide guidance to the workforce system and its partners on helping business find and keep qualified workers.

Arizona Ready

Understanding that education and skill building begin at a young age, Arizona has created a partnership, described later in this section, and a reform agenda, *Arizona Ready*, which is dedicated to bringing about a future where all Arizona students are prepared to succeed in college and careers in the next 100 years and beyond.

Arizona Ready will help to meet employers' needs by:

- increasing the percentage of third graders who meet State reading standards to 94% in 2020 (from 73% in 2010);
- raising the high school graduation rate to 93% in 2020 (from 73% in 2010);
- increasing the percentage of eighth graders achieving at or above basic on the National Assessment of Education Programs to 85% in 2020 (from 67% in math and 68% in reading in 2010); and
- doubling the number of students receiving baccalaureate degrees, to 36,000 per year.

Arizona Ready includes linking and leveraging key partners across the state, to create system efficiencies and communication feedback loops among education stakeholders, including the business community.

Several Arizona entities had begun the dialogue to grow workplace-readiness skills and strengthen the link between education and workforce development, but those efforts were often relegated to "CTE only" discussions. Arizona Ready seeks to align CTE and workforce skills with academic goals of college and career readiness for all citizens.

Six key partners are developing projects to unite these discussions into a comprehensive vision for a strong workforce pipeline. The six partners are the:

- Governor's Office of Education Innovation (which houses the Arizona Ready Education Council, chaired by Dr. Craig Barrett, former head of Intel),
- Governor's Council on Workforce Policy,
- Arizona Department of Education,
- Arizona Skills Standards Commission,
- Arizona Chamber of Commerce and Industry, and
- Science Foundation Arizona.

Arizona's goals include a seamless school-to-career pipeline in which job seekers and employers are well informed and working together to close the state's skills

[1] Aerospace and Defense, Semiconductor, Bioscience, Optics and Renewable Energy.

gap. Joint projects of the partners, in collaboration with other Arizona stakeholders, focus on:

- developing student-level transcripts of skill competencies based on industry standards and yearly assessments;
- developing industry-accepted certificates for students who complete specific programs of study;
- enhancing the effectiveness of Arizona's Education and Career Action Plan (ECAP), required of every high school student;
- enhancing student retention efforts based on recommendations from the National Dropout Prevention Center; and
- building a data system to create easily accessible reports on workforce needs and educational attainment to support data-driven decisions at the student, school, county and state levels.

Data on the progress from pre-school to workforce is available in an online "Arizona Ready Education Report Card" at www.arizonaready.com.

Career Counseling and Training

Based on the sector strategies identified by each Local Workforce Investment Area Board (LWIB), career counseling and training will continue to focus on the identification and coordination of the skills that employers have indicated are needed to address specific hiring needs, based on companies that support job creation and high-wage jobs. LWIBs have access to tools such as Wanted Analytics to assist in identifying job opportunities and strategizing on how best to make training services available to most in-need individuals, and to provide assistance beyond core services through a comprehensive and specialized assessment of skill levels.

Strengthening of partnerships between the Local Workforce Investment Areas and the WIA Title I-B programs and One Stop partners will be a key ingredient in ensuring that a skilled workforce is being developed and available through the workforce pipeline. Through the development of local workforce plans by each LWIB, in partnership with the appropriate local elected officials, focus will be on incorporating strategies to meet local sector strategy directions. This will be accomplished by building on existing efforts such as AZ I-BEST, College and Career Pathways, and the Arizona Department of Education's Career and Technical Education (CTE), with an emphasis on collaborative efforts with the Workforce Education Development Office.

The Arizona Skills Standards Commission will promote the development and implementation of industry-validated standards for all CTE programs and an online skills assessment for secondary education, CTE, Joint Technological Education Districts, Community Colleges and One Stop Service Centers.

Objective assessments of skill levels (using such tools as TABE and WorkKeys) will continue to be conducted on eligible youth to determine basic skill deficiencies. Similar assessments are used in developing individual employment plans for adults without a GED or high school diploma. Results will be used to determine strategies for providing services to the state's neediest youth, including youth aging out of foster care, youth offenders, homeless youth, out-of-school youth, migrant seasonal farmworker youth, and pregnant and parenting youth.

An individual who is dislocated from a company that is certified for Trade Adjustment Assistance (TAA) will continue to be co-enrolled in the Dislocated Worker Program. Both the TAA counselor and the WIA Title I-B case manager will continue to work together to ensure that co-enrollments for eligible participants occur, and that proper documentation is kept in the applicable participants' case files and databases.

All assessments will focus on the service needs of each participant, regardless of age, and provide a comprehensive "picture" that will be based on an examination of basic skills, occupational skills, educational motivation, behavioral patterns and financial resources affecting employment potential, supportive service needs, developmental needs, leadership needs, and family situation.

The overarching provision of case management will be reviewed from a comprehensive approach and based on DES's person-centric integrated approach to service delivery and coordination. The person-centric approach focuses on (a) delivering services that meet individual customers' specific needs and (b) intentionally working to grow that consumer beyond the social safety net.

This new model moves away from merely administering single-purpose programs and toward an integrated system for intentionally moving everyone through, and out of, the safety net. The ultimate goal of this approach is to enable as many Arizonans as possible to live a life free of public dependence and pursue their life goals.

With the approval of the State Plan, focus will then turn to local plans and Memorandums of Understanding (MOUs). The State will issue revised guidance to each LWIB to ensure that local plans and MOUs reflect, in detail, how each area will facilitate the integration of service delivery and provide a seamless service delivery model. Delivery models should be based on collaborative efforts of all One Stop partners and address how limited resources will be leveraged to provide comprehensive employment and training services to the citizens of Arizona.

6. Meeting Employers' Skill Needs

To reiterate a key element of the Governor's Vision, Arizona will continue to maintain a sharp focus on connecting people to paychecks and reducing the unemployment rate, an effort that is strengthened by the following reforms.

- The new Workforce Arizona Council (WAC), which replaces the Governor's Council on Workforce Policy (GCWP), will identify other states' best practices that help unemployed and underemployed workers gain needed skills.
- Arizona's goals, governance and processes for the workforce development system will be restructured.
- Specific policies will be adopted to assist in successful implementation of new processes.
- Arizona's workforce will be integrated with its education system to ensure a seamless P-20W pipeline.

Technology Tools

The ACA has provided support in meeting the skill needs of employers by purchasing a state-of-the-art, web-based, real-time data tool and by acquiring data sharing agreements among all levels of the education system to develop a Longitudinal Database System. These initiatives help the State's efforts to attract and maintain employers.

The WAC's Education Committee is facilitating the initial conversations for the Longitudinal Database System, which will access enrollment and graduation records for all students in all educational levels. The Education Committee works with a cross-agency team including Local Workforce Investment Areas, DES, Arizona Department of Education (ADE), Arizona Board of Regents, and Governor's Office on Education Innovation.

The Education Committee Partnerships have resulted in commitments that education attainment data will be available as needed.

The real time data web-based tool has been purchased for each Local Workforce Investment Area, as well as for ADE, DES and the Governor's Office. The anticipated timeline for the completion of the Longitudinal Database system is July 1, 2014.

The real-time data tool that was purchased is Wanted Analytics. It has been rolled out and helps Local Workforce Investment Areas determine who is hiring, send alerts to unemployed individuals, alert clients to skills and certifications that are required for different occupations, identify hiring trends by Standard Occupational Classification, and identify industries that are growing, to promote informed decisions on training and skill building purchases that offer a successful return on investment.

- For more information on Wanted Analytics, visit www.wantedanalytics.com/solutions/government/#government.

The latest enhancements to this tool include a new Search Wizard, which will analyze a job ad and extract the skills and certifications that are already listed in the ad, as well as suggest additional requirements based on other company's job ads.

This feature allows the Local Workforce Investment Area to better identify a curriculum that is standard to an industry and gives individuals a better understanding of missing critical certifications and/or training that will help them obtain a job.

- Details regarding the Longitudinal Database System and an overview of the tool can be found at www.dataqualitycampaign.org.

The goal of uniting these web-tools into a single Statewide Longitudinal Data System[2] is a well-informed pipeline of students aware of employer needs, who plan their educational career to meet those needs and to be college and career ready. The online report card previously discussed is merely a high level broad brush to build awareness of the link between education and economic development. This is a very important first step to getting the conversation going about what data we need and how we need to see it.

Additional work is underway to stimulate a discussion of meeting business needs, including an initiative to share data and information from Economic Modeling Specialist Inc. (EMSI) with the Maricopa Community College District, which is comprised of a network of ten community colleges.

[2] The system is under development by ADE, with oversight from a legislative Data Governance Commission and the State Board of Education and jointly funded by the Governor's Office discretionary funds and state appropriations.

C. State Strategies

1. Cross-Program Strategies

State and Regional Sector Strategies

At the direction of the Governor, Arizona has embarked on a new path for economic development. Building on the experiences of more than 20 other states, Arizona is facilitating the development of partnerships of employers in specific industries. This sector strategy approach is designed to encourage aggressive economic development, together with providing a highly trained workforce to meet employer needs.

In furtherance of its objective to grow and diversify the state's economy and create quality jobs, Arizona has targeted these key industry sectors: Aerospace and Defense, Optics, Semiconductors, Biosciences and Solar Energy.

Sector strategies have emerged as a response to specific and persistent shortcomings of traditional workforce, education and economic development systems. On the ground, sector partnerships bring together employers in a critical industry with workforce, education, human service and community-based and other stakeholders. Partnerships rely on a convener to uncover and facilitate solutions to common workforce challenges in an industry. In the process, they coordinate across public and private programs so that workers receive the support and training they need to obtain good jobs. Sector partnerships accurately meet industry's skill needs, help job seekers succeed, and make scarce resources go further.

Success Story

An example of how a local community bands together to address workforce challenges has occurred in Mohave County, where local industries acknowledged an immediate and anticipated long-term shortage of skilled tradespersons.

To address this shortage, Mohave County's Community Services Department/Workforce Development Division, which administers WIA, and Laron Incorporated, a private employer, partnered to implement the Laron Expanded Apprenticeship Program (LEAP). LEAP is a private sector-driven, workforce development-supported initiative that expands Laron's existing Registered Apprenticeship for the occupations of machinist, millwright and welder/fabricator. With start-up funding provided through the State Energy Sector Partnership (SESP), this effort allows industry partners who do not have the administrative capacity to implement an apprenticeship program in their facility to "growing their own" through collaborative talent development.

LEAP is intended to create a pipeline of skilled tradespersons with journeyman credentials for successful careers at Laron and other industry partners within the region. LEAP established an employer association that engages multiple industrial firms as partners in an apprenticeship program. The members of this association sign agreements with Laron that call for an equitable sharing of training costs. These costs are based on actual administrative and instructional expenses. The agreement includes a non-compete feature to ensure that participating industrial partners do not enter competitive bidding for journeymen after completion of the four-year program.

This private collaboration to train the future workforce is the first of its kind in this region and will serve as a foundation upon which to build pre-apprentice and apprenticeship programs in partnership with secondary and post-secondary educational entities.

Regional Partnerships

Successful state sector policies rely on state leaders to champion, support and guide the implementation of regional sector partnerships. States that succeed in diversifying and growing their economic base tend to do the following:

- *Promote Intrastate Regionalism*. Labor markets rarely span an entire state, nor do they conform to political boundaries (counties, cities, workforce areas). Employers and job seekers do not recognize artificial geographic boundaries in the labor exchange process; rather, sector strategies promote a focus on localized, intrastate regional economies.
- *Use Data to Drive Decisions.* Successful sector initiatives require a solid understanding of specific industries and regions to identify needs and formulate effective solutions. States play a key part in collecting and providing to regions good data, and training on how to use it.
- *Align Resources and Strategies.* Sector strategies allow for various programs, re-

sources and strategies to be aligned and leveraged. This does not necessitate full-scale system integration; instead, it creates effective cross-system connections and aligned protocols toward common goals. This is true at the state policy level, as well as the local practice level.

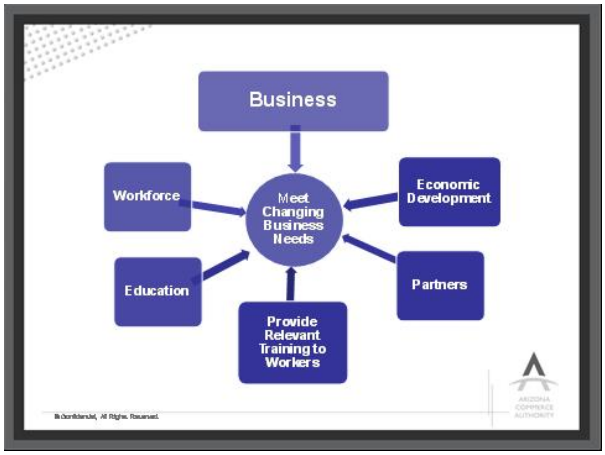
- *Build Capacity of Local Stakeholders.* This appears to be the most critical success factor for state sector strategies, requiring training and support to local areas to design and implement sector partnerships. Arizona has held two Sector Academies and continues to provide technical assistance as key elements for the Local Workforce Investment Areas.
- *Present Opportunities for Unified Messages.* Messaging the value of sector strategies to local and state stakeholders has also been identified as key to the success of sector strategies. Some states have branded a new strategy, while others integrate it into existing workforce and economic development strategies. Regardless, states succeed when their sector strategy is recognized as a way to connect supply and demand.
- *Find Ways to Assess Progress and Impact.* Most states and local sector partnerships find ways to measure the impact of their success across four areas: impact on workers, impact on employers, effectiveness of cross-system partnerships, and systems change. The State can play a valuable role in identifying a core set of indicators that are feasible to monitor, and that when aggregated can tell a powerful story of how sector strategies work for workers, employers and public systems.

The following sections of the plan provide additional detail regarding Arizona's sector strategy approach. For in-depth information about the role of the State in implementing sector strategies, visit www.sectorstrategies.org. The Toolkit found at that site is an excellent introduction to a state's role, including testimonies from a dozen states already implementing sector strategies.

2. Partnerships

Sector Strategy Partnering

Sector strategies promote mutually beneficial partnerships by fostering collaboration among industry experts (or stakeholders) throughout the state to bring about positive economic results. Sector strategies provide resources to companies and skills to job seekers, resulting in regional economic growth.



When executing the strategies to attract businesses to Arizona, facilitate the growth of Arizona's existing businesses, and stimulate the creation of new Arizona businesses, Arizona Commerce Authority (ACA) will focus on key sector opportunities.

The ACA targets industries that:

- grow in output and employment throughout the economic cycle;
- create high-wage jobs;
- provide a competitive advantage for Arizona and U.S. companies;
- generate significant exports and encourage capital in-flows;
- have strong supply chains and robust multiplier effects;
- generate research-and-development funding; and,
- generate greater tax revenues that support public services.

Based on these desired impacts, the ACA has targeted the five industries that were introduced in Section I-B-1:

- Advanced Industries
  - Aerospace and Defense
  - Semiconductor
- Nascent Industries
  - Bioscience
  - Optics
  - Renewable Energy

While these targeted industries overarch statewide, each Local Workforce Investment Area (LWIA) is responsible for compiling information and conducting a comprehensive analysis to further define unique industries on which to focus each part of the state.

Under sector strategy, it is important that LWIAs identify industries most critical to their economic growth, based on labor market information as well as the information they solicit directly from their local employers. This must be an ongoing endeavor, as an industry and its needs can change quickly.

It is expected that LWIAs will use tools for effective industry analysis (Labor Market Information from the Office of Employment and Population Statistics) in order to put policies in place that invest training funds in both the statewide and locally targeted industries. Toward that end, LWIAs have been trained on multiple databases, including the aforementioned Wanted Analytics database (which offers real-time information on open positions in local companies) and the Arizona Sector Selection Tool.

Arizona Sector Selection Tool

The "Tool" is designed to help the state's Local Workforce Investment Areas (a) identify industry sectors that offer the best potential for job growth, (b) make informed decisions about how to focus resources and build partnerships to engage employers, and (c) prepare people for employment in these sectors.

The Tool enables regional partners to examine industry sectors along two critical dimensions:

- employment trends and projections, and
- business establishment growth patterns.

Employment Trends and Projections. The data is drawn from the Economic Modeling Specialist Inc. (EMSI), and is based on publicly collected employment information. Each regional economy is examined at the detailed sector level (i.e., four-digit NAICS level),

determining the underlying strengths of specific industries via five performance factors:

- employment size (2010),
- recent growth (2005-2010),
- projected growth (2010-2015),
- employment concentration (2010), and
- average annual earnings per worker (2010).

Business Growth Patterns. The other half of the Tool focuses on business establishment growth patterns, based on data from the National Establishments Time Series (NETS) database and Dun & Bradstreet (latest data available: 2009).

A business establishment is a unique business location, and can be a stand-alone business or a single location of a multi-establishment company. The regional economy is examined at the industry sector level (i.e. four-digit NAICS level), determining the underlying strengths of specific private industries, from the NETS perspective, via five performance factors:

- total number of establishments (2009),
- absolute growth in number of establishments (2004-2009),
- percent change in number of establishments (2004-2009),
- percentage of 2004 establishments with employment growth in the past five years (2004-2009), and
- percentage of 2009 establishments that were created since 2004 (2004-2009).

The combined ten factors provide a wealth of information about the underlying dynamics of key industry sectors for each region. It is important to note that the Tool is an interactive spreadsheet, including a how-to-guide, that Local Workforce Investment Areas can use repeatedly to understand local industry trends.

This Tool continues to be used for Local Workforce Investment Areas to, first, identify and understand the industries that are actually driving local growth and stability and, second, make choices about which industries to target via their sector partnerships. As a result, Local Workforce Investment Areas have strengthened existing partnerships, explored new industries, and launched new partnerships.

Information regarding specific active partnerships appears on the next page. This is an evolving map of active and emerging partnerships; many, such as manufacturing, fit into each of the ACA's targeted sectors, either by interchangeable positions or by direct benefit to the current employee/company.

Regional Education

"In addition to the comprehensive sector strategy partnerships, the State has Regional Education Centers created through alliances among Arizona's County School Superintendents, in collaboration with the Governor's Office of Education Innovation. The County Schools Superintendents provide coordinated support services to school districts within their boundaries while the Governor's Office of Education Innovation has funded several projects in these centers, to link local educators and students with local employers."

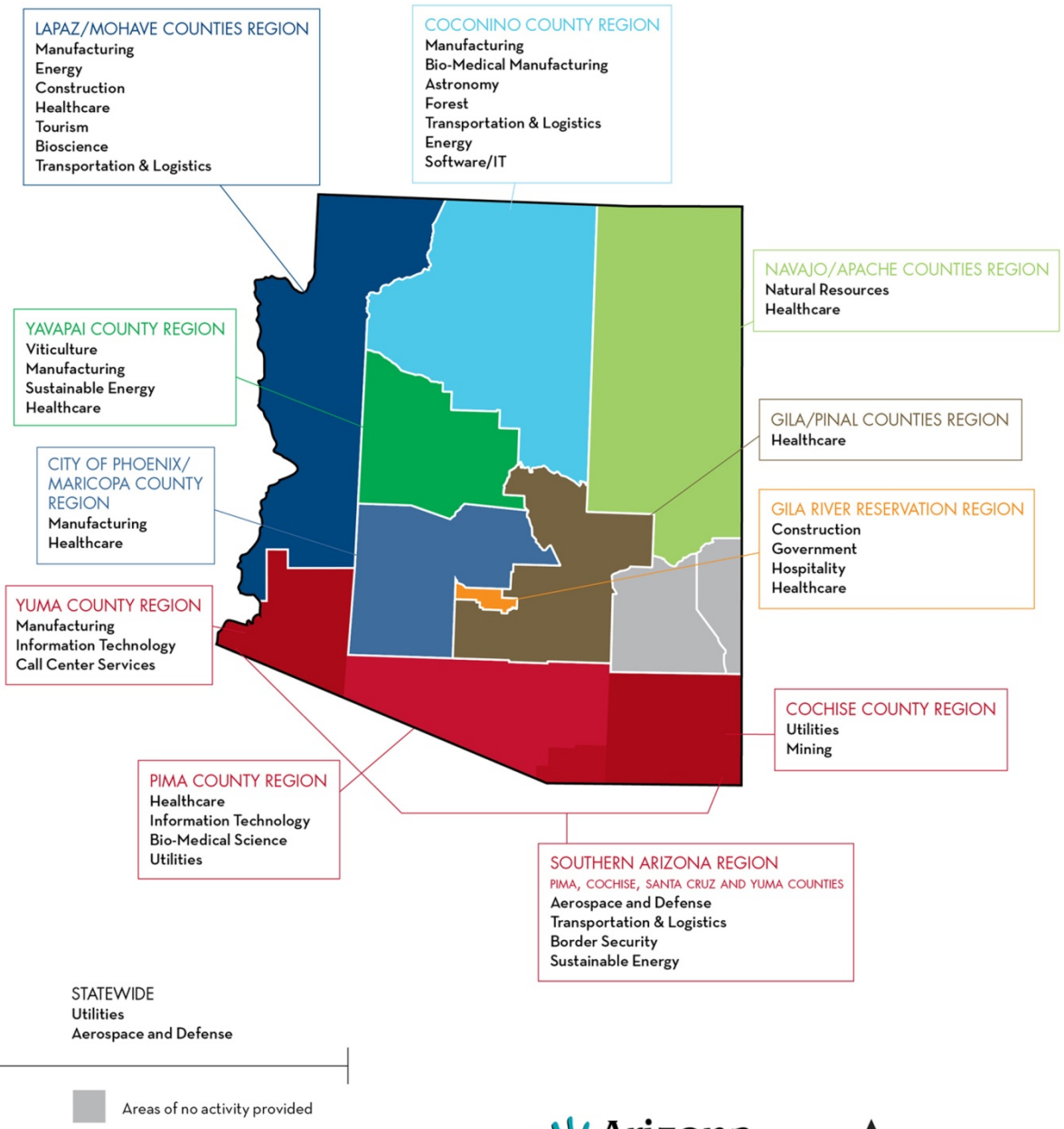
Enhancing Human Service Delivery

To maximize fund sources available to meet the Governor's strategic vision for the workforce system, the Department of Economic Security (DES), in partnership with LWIAs, the Arizona Department of Education (ADE) and the ACA will undertake a demonstration project to enhance Arizona's human service delivery system. This person-centric approach will be piloted with clients from the Supplemental Nutrition Assistance Employment and Training (SNA E&T) program.

The demonstration project will focus services on the client to stabilize their situation and, through use of the sector strategies outlined previously in this plan, focus services to prepare the client for an optimal career path. The Department of Education's AZ I-BEST program will be utilized to enhance consumer training and education attainment in order to better prepare them for a high demand high wage career that will lead to self-sufficiency.

Fund sources from Workforce Investment Act (WIA), Employment Service, SNA E&T, and other funding will be leveraged to provide a comprehensive wrap-around service to the client. Business will be engaged to ensure that training and education provided in the demonstration project will meet employer needs, to ensure that, when the client completes their program of services, employers will seek to hire them.

2012 Arizona Sector Industries



Arizona Workforce Connection

ARIZONA COMMERCE AUTHORITY

3. Leveraging Resources

In this time of reduced funding and increased need, the State of Arizona has created strategies that will leverage resources through alignment, collaboration and partnerships. A central theme of the Governor's Vision is related to leveraging resources through the increased effectiveness and efficiency of the workforce system and its partners.

Arizona has been very successful in leveraging both in-kind and other resources in the Workforce Investment Act (WIA) and Employment Service (ES) programs. At the local level, many of the local government entities that operate the WIA program provide county-based funds or in-kind contributions to the WIA programs. Many of the Local Workforce Investment Areas receive discounted or free space for their One Stop locations.

Also, the Department of Economic Security (DES) has partnered with Local Workforce Investment Areas to leverage resources between the WIA and ES programs where caseloads within a geographic area are not sufficient to warrant full-time staff. The One Stop partner agreement outlines reduced cost for space to offset the cost of making a full-time employee available to participants in both the WIA and ES programs. This relationship has improved services to clients and led to more successful outcomes for clients as evidenced by Arizona receiving incentive funding awards for Program Year 2009 and 2010 performance.

Business Outreach. In addition to the Local Workforce Investment Area work, the State has developed an improved business outreach strategy between the Arizona Commerce Authority (ACA), DES and Local Workforce Investment Areas for working with employers that are moving into the state or expanding operations. ACA provides economic development assistance to the employer and then immediately involves the business outreach staff from the ES and WIA programs to assist the employer in filling positions with ES and WIA participants.

This strategy has strengthened relationships within the business community and the WIA and ES programs. As an example, one of the state's largest mining operations has more than 250 positions that it will seek to fill over the next three to five years, but its interaction with the ES and WIA programs had been relatively limited. ACA reached out to the employer to re-establish ties between the employer and the economic development team. This initial step resulted in the employer becoming engaged with the business outreach program and scheduling several job fairs that are being led by the ES and WIA programs. The venture has been so successful that the employer is now using ES and WIA to fill the bulk of its vacant positions.

Apprenticeships. The State is also making use of apprenticeship placements and program enhancements to improve available options for participants. Through a minimal investment in staffing, the State is able to engage employers to enhance and develop new apprenticeship opportunities; this expanded capability is helping employers in trade-related businesses begin the succession planning process for the expected 20-30% retirement losses they will face over the next five to ten years.

Other Leveraging Efforts

- Arizona has leveraged funding opportunities for specialized programs, such as the State Energy Sector Partnership (SESP) grant received in 2009. By partnering with the Local Workforce Investment Areas in the WIA programs, the SESP funding was used to enhance and expand training opportunities for participants and leverage the resources across multiple State agencies, such as the Arizona Department of Education (ADE), Governor's Office of Energy Policy, ACA and DES.
- The forming of new and enhanced Local Business Services Teams will also leverage resources by splitting out among partner agencies the work required to research, recruit and work with businesses.
- Job seeker services will be aligned to ensure that all partner programs are sharing in the responsibility of greeting, assessing and providing resources to individuals looking for work.

More information is provided on the alignment of services and seamless delivery for business and job seeker customers in the operational portion of this plan.

4. Policy Alignment

The State of Arizona has reaffirmed its focus on (a) business services and (b) ensuring that job seekers and youth are positioned to meet employer expectations. Success in these areas requires ongoing policy review, revision and alignment to avoid duplication of workforce programs and activities.

Accordingly, the Governor has directed the Workforce Arizona Council (WAC) to restructure or establish processes related to the following functions:

- Workforce Investment Act Local Governance
- One Stop Delivery System and Chartering
- Memorandums of Understanding
- Service Integration and Functional Alignment
- Eligibility Determination and Documentation
- Job Seeker Services
- Participation and Co-Enrollment
- Individual Training Accounts
- On-the-Job Training
- Customized Training
- Youth Activities
- Youth Councils
- Supportive Services
- Priority of Service
- Eligible Training Provider List
- Oversight and Monitoring
- Incentives, Sanctions and Technical Assistance
- Grievance and Complaint Resolution
- Marketing and Branding
- Access to Data System and Reporting (Arizona Job Connection)

Of particular interest will be the creation of a One Stop Charter/Certification process and policy. The Arizona Commerce Authority (ACA), in partnership with the Department of Economic Security (DES), will review and recommend changes to the policy on Chartering Criteria for Arizona's One Stop Service Centers ("Chartering Policy").

After it is adopted by the WAC, the Chartering Policy will serve as the foundation for aligning all One-Stop policies and procedure. The policy will require a partner agency alignment of job seeker and business services, producing a seamless service-delivery system that:

- reduces customer confusion;
- establishes a functional approach to helping business find workers and workers find employment;
- specifies minimum standards for the service menu and customer service; and
- utilizes branding to enhance public recognition of a statewide workforce system.

Based on the Chartering Policy, other policies will be reviewed and revised to support the key success indicators of partner alignment, seamless service delivery, minimum service standards and branding.

Local Workforce Investment Areas will be encouraged to infuse creativity and innovation that exceed public sector standards and the expectations of Arizona businesses and job seekers.

Although WIA policy exists in the form of State-issued WIA Title I-B Guidance Letters, DES will collaborate with the Workforce Arizona Council (WAC) and Local Workforce Investment Area representatives in a comprehensive review, revision and development of updated standardized operational polices that will be reviewed by the WAC's WIA Compliance Committee. It is anticipated that revised policy implementation will commence by the beginning in Program Year 2013 for the following program areas:

- Training/Credentials
- Eligibility
- Youth Program/Youth Literacy/Numeracy
- Rapid Response
- Eligible Training Provider List
- Local Plans/MOU Development
- Technical Assistance
- Apprenticeship

The following steps will be taken to ensure full engagement of all stakeholders in the policy development process:

- Review/Evaluation of current information
  - Review Q&As previously disseminated
  - Review current WIA Guidance Letters
  - Review TEGLs/TENS, USDOL guidance
- Draft summary of Policy Topic
  - Compose draft summary using policy template
  - Internal DES/EA and WIA Section Review of draft summary
  - Revise draft summary incorporating comments from WIA Section review
  - Prepare draft policy for LWIA Review
  - Send draft policy to LWIA Policy Reviewers
  - Incorporate initial comments from LWIA Policy Reviewers
  - Schedule Web Conference Call with LWIA Policy Reviewers
  - Conduct Web Conference Call with LWIA Policy Reviewers
  - Revise the draft policy based on LWIA Reviewer input
- Implementation
  - Final review by DES/EA and WIA Section
  - Submit draft policy to WAC WIA Compliance Committee
  - Revise draft policy (if necessary) based on WAC WIA Compliance Committee review
  - Post on DES/EA/WIA website

D. Desired Outcomes

1. Performance Indicators and Goals

Evidence-based results will provide a blueprint for reviewing outcomes related to performance measures that (a) are required by the federal government and (b) have been created to support the Governor's Vision for the Arizona workforce system as outlined on page 3 of this plan.

Required performance measures are primarily focused on job seeker customers. Arizona will work to achieve and exceed the negotiated performance indicators as outlined in the graphic on page 36.

Further, as Arizona is focused on business services and business creation and growth, the State will establish an Arizona Balanced Scorecard/Performance Management Dashboard that promotes key performance indicators that support the Governor's Vision and the sector strategy partnerships.

Arizona Balanced Scorecard

The Arizona Balanced Scorecard is a performance measurement tool designed to measure the right things – not merely measure things right – and to focus on business measures not required by the U.S. Department of Labor.

Spearheaded by the Workforce Arizona Council (WAC), the Scorecard will provide evidence-based information that can be used to continuously improve services to business customers. A team of State and Local workforce system partners will create the Scorecard and advise the WAC on measures to consider. The WAC will then facilitate discussions defining the measures and help partners apply the measures and achieve successful results.

It is important that the measures selected are supported by data collection systems that can report on the progress with minimal staff time. When specific measures are identified, Local Workforce Investment Areas will collect the data for six months to create a baseline on which to improve. The goal for each measure will be established, and progress updates will be performed at least four times per year.

Creation of the Scorecard for the Arizona workforce system will include these steps:

- **Identify a vision.** Where is the workforce system going? Maximizing the impact of Local Workforce Investment Area activities is a main focus of the Governor's Vision, the ACA business plan and the WAC strategic plan.
- **Define critical success factors.** What is to be measured to ensure that the Local Workforce Investment Area staff, partners and vendors are meeting expectations? This will include information related to sector strategies and criteria outlined in the Chartering Policy.
- **Evaluate the scorecard.** Are the right indicators being measured to achieve a high-performing workforce system?
- **Create action plans and provide reports.** How will the Scorecard be managed? Who should have reports, and what should the reports contain?

The collected data should help businesses understand the features and benefits of the support provided through the Arizona workforce system and partner agencies.

As the chart below depicts, the Scorecard will interpret data from four perspectives:

- Financial
- Customer
- Internal
- Growth and Learning

The following example illustrates a Customer perspective report that would stimulate discussions on improvements in customer interactions, increasing market share of repeat customers, and jobs in training related fields:

CUSTOMER PERSPECTIVE	GOAL	ACTUAL	
Health Care Market Share	25%	33%	+8%
Avg. Quarterly Customer Interactions	100%	45%	-55%
Health Care Repeat Business (3 or more times a year)	50%	25%	-25%
Percent of Individuals Who Get Jobs in Training Related Field	80%	70%	-10%

Actual:		
> 80% of Goal YTD	Good	
60%-80% of Goal YTD	Warning	
< 60% of Goal YTD	Trouble	

D. Table 1 – Desired Outcomes

WIA Requirement at Section 136(b)	Program Year 2011 Goal	Program Year 2012 Proposed Goal
Adults		
Entered Employment rate	70.5%	71.0%
Employment retention Rate	84.0%	84.0%
Average Six-Months Earnings	$11,200	$12,000
Employment Certificate/Credential Rate	66.0%	66.0%
Dislocated Workers		
Entered Employment rate	75.0%	78.0%
Employment retention Rate	87.5%	87.5%
Average Six-Months Earnings	$11,200	$15,000
Employment Certificate/Credential Rate	72.0%	72.0%
Younger Youth (14-18 years old)		
Diploma/Equivalent Rate	58.0%	68.0%
Skill Attainment	83.0%	83.0%
Retention Rate	65.0%	65.0%
Older Youth (19-21 years old)		
Entered Employment Rate	73.0%	73.0%
Employment Retention Rate	80.0%	80.0%
Certificate/Credential Rate	50.0%	50.0%
Average Six-Months Earnings	$3,400	$3,450

Customer Satisfaction	Program Year 2011 Goal	Program Year 2012 Proposed Goal
Employers	71%.0	71.0%
Participants	71%.0	71.0%

Wagner-Peyser Requirement at Section 13(a)	Program Year 2011 Goal	Program Year 2012 Proposed Goal
Entered Employment Rate	50.0%	50.0%
Employment Retention Rate	73.0%	73.0%
Average Six-Months Earnings	$10,500	$10,500

Senior Community Service Employment Program*	Program Year 2011 Goal	Program Year 2012 Goal (Actual)
Community Service Hours	50.0%	84.8%
Entered Employment Rate	28.6%	36.4%
Employment Retention Rate	69.5%	65.9%
Average Six-Months Earnings	$7,489	$7,707
Service Level	100.0%	161.4%

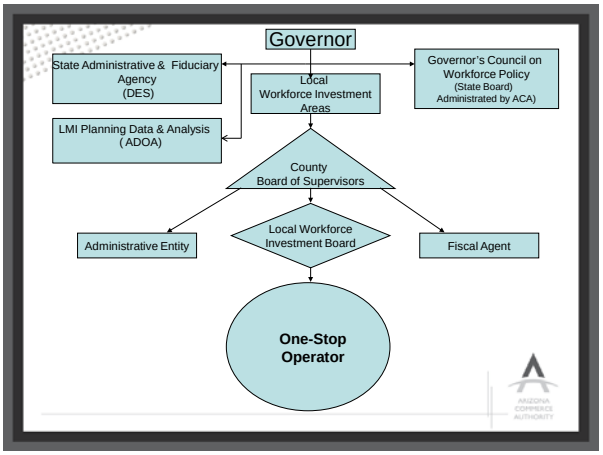
*SCSEP Performance Goals are determined by the U.S. Department of Labor prior to the start of the program year.

Section II. State Operational Plan

A. Overview of the Workforce System

1. Organization

Governor Brewer has assigned the Arizona Department of Economic Security (DES) as the State's administrative and fiduciary agency for workforce programs. The Arizona Commerce Authority (ACA) is the administrator for the Governor's Council on Workforce Policy.



Arizona's One Stop structure affords the state with partnerships naturally and strategically aligned to meet the needs of its targeted populations and industries. DES, the State's designated workforce administrative entity, is responsible for the administration of:

- WIA Title I-B,
- Wagner-Peyser,
- Unemployment Insurance,
- Trade Adjustment Assistance and Trade Readjustment Allowances,
- Veterans Employment Services,
- Migrant and Seasonal Farm Worker,
- Senior Community Service Employment Program (SCSEP),
- TANF,
- SNA E&T,
- WOTC, and
- Foreign Labor Certification grant
- Vocational Rehabilitation.

This co-location allows the State to take full advantage of day-to-day operational opportunities for collaboration and leveraging resources across the broad spectrum of services.

To leverage resources, streamline service delivery and improve the workforce system to meet the needs of the state's employers and job seekers, Arizona's workforce development system also engages:

- the Department of Administration for state and local Labor Market Information (LMI) data,
- the Arizona Department of Education (ADE) for professional and technical education, including Adult Basic Education and Carl Perkins, and
- the ACA for economic development-related activities.

The State will be returning to regular meetings with the multiple agencies to improve future planning and coordination efforts.

Arizona is comprised of Local Workforce Investment Areas that are overseen by county boards of supervisors, tribal governments or city councils. The overseeing entities appoint the Local Workforce Investment Area Board (LWIB) members according to federal requirements outlined in the Workforce Investment Act of 1998 (WIA). County, tribal or city governments serve as the administrative entity and fiscal agent in each area. Each Local Workforce Investment Area has at least one comprehensive One Stop Service Center that provides services to job seekers and business customers.

Role of **Department of Economic Security**	Role of **Arizona Commerce Authority**	Role of **Department of Administration**
Fiscal and Compliance Agent	Forward – Looking Strategic Thinking	Provides labor market and demographic information
Technical Assistance	Engagement with Education Institutions at All Levels	Data review and analysis
Monitoring	Administrator for Workforce Arizona Council	Forecasts and projections
Case Management and Reporting System; Arizona Job Connection	Interaction with Employers; Business Attraction, Development, International	Technical assistance
Represent 11 of 17 Mandated Partners, including SCSEP	Coordination with Economic Development	Population data services

Governor's Council on Workforce Policy

The GCWP is a collaborative partner in the State Integrated Workforce Plan, providing policy direction, building partnerships, and providing resources. The Council will oversee the progress of the elements provided within the State Integrated Workforce Plan. In partnership with local elected officials, Local Workforce Investments Boards oversee employment, training activities, local fiduciary responsibilities, and local policy direction.

The following page lists the current GCWP membership that comprises the GCWP, pursuant to Executive Order 2008-17. Governor Brewer plans to adopt a new Executive Order that will change the composition of the Workforce Arizona Council. Any vacancies indicated in the chart below are anticipated to be filled by December 31, 2012.

GCWP Membership

Last Name	First Name	Representing	Company/Association
Gau	Rebecca	Governor	Governor's Office of Education Innovation
Anthony	Dennis	Labor	Central Arizona Project
Atha	Henry	Large Business	Pima County
Babcock	Elaine	Large Business	Southwest Gas
Beers	Joseph	Small Business	Integrity Outsource
Belknap	Margaret (Peggy)	Rural Arizona Community College District	Northland Pioneer Community College
Bunnell	Alan	Youth-Based Workforce Development Organization	Boys and Girls Clubs of America
Boxer	Rosalyn	Director of Commerce or Designee	Arizona Commerce Authority
Carter	Clarence	Director, Dept. of Economic Security or Designee	Department of Economic Security
Curtis	Ron	Large Business	National Bank of Arizona
Davis	Donna	Small Business	Expect More Arizona
Dobbins	Mark	Large Business	SUMCO Phoenix Corporation
Friend	Rebekah	Labor	Arizona AFL-CIO
Hernandez-Kaffer	Mary	Small Business	Hunt, Grogan, Meerchaum & Hossler
Huppenthal	John	Sup't. of Public Instruction or Designee	Department of Education
Jennings	Sherman	Large Business	Boeing
Lockhart	Fred	Private, Post-Secondary Institution	Arizona Private School Association
Marks	Gary	Small Business	Prescott Valley Economic Develop't.
Martin	David	Large Business	Associated General Contractors
Murphy	Buzz	Labor	Ironworkers
Rango	Tim	Small Business	Seafab Metals Co.
Sissons	Tony	Small Business	Research Advisory Services Inc.
Zajac	Steve	Small Business	Prescio Consulting
Vacant		Arizona House of Representatives	
Vacant		Arizona House of Representatives	
Vacant		Arizona Senate	
Vacant		Arizona Senate	
Vacant		Large Business	
Vacant		Large Business	
Vacant		Large Business	
Vacant		Large Business	
Vacant		Small Business	
Vacant		Urban Community College	

2. State Board Plan Development and Collaboration

The Governor's Council on Workforce Policy (GCWP) will be replaced by the Workforce Arizona Council (WAC) in Program Year 2013. The GCWP/WAC (the "Council") plays an active role in the functions outlined in Section 111 of the Workforce Investment Act (WIA). Its duties include:

- assigning the comprehensive review to the WIA Compliance Committee, which takes public comment under advisement and provides a full plan to the Council for discussion and approval;
- ensuring that the Integrated Plan furthers the Governor's Vision and supports a statewide system of activities carried out through a One Stop delivery strategy that establishes linkages to assure coordination and non-duplication of services;
- establishes a chartering process for One Stop Service Center certification;
- comments annually on compliance with the Carl D. Perkins Vocational and Applied Technology Education Act;
- oversees the designation of Local Workforce Investment Areas;
- reviews the allocation formulas for distribution of funds for adult employment and training activities and youth activities to Local Workforce Investment Areas;
- assesses the effectiveness of workforce investment activities in Arizona through review and analysis of required performance measures and through the creation of a business customer focused Arizona Balanced Scorecard/Performance Management Dashboard;
- approves the annual report to the U.S. Secretary of Labor; and
- oversees the development of the statewide employment statistics system.

Integrated State Plan

The Council has completed a strategic plan that supports business-focused strategies. First and foremost, the Council is charged with carrying out the tasks assigned by the Governor related to the Arizona workforce system.

Vision Statement for the Council

Arizona's economic landscape will be positively transformed through the integration of education, business and workforce development.

Mission Statement for the Council

To develop, implement and guide the public workforce system in Arizona to help residents and employers in the state to realize their full potential.

Strategies Outlined by the Council

- Anticipating, identifying and responding to emerging and unmet workforce needs.
- Continuous education and training of current and future workers.
- Promoting services available to employers through workforce and education.
- Strategic alignment of public and private resources with the needs of workers and employers.
- Leadership in the development of strategic partnerships with economic development, the workforce system, State agencies and business to bring opportunities to the State.

Accomplishing Strategies

- Focusing on a dual-customer base of businesses and workers.
- Coordinating services that enhance the capacity of both workers and employers.
- Integrating funding streams, services and data collection.
- Generating ideas and innovative approaches to responding to the needs of employers and workers.

The Council operates as a collaborative body and will continue to support and/or request involvement by State and local stakeholders in each phase of the implementation of this plan.

The Five-Year Integrated State Plan development was an energized collaboration. Face-to-face meetings, with telephone and web-based participants also attending, provided brainstorming and discussion opportunities for individuals representing the diverse partnerships and stakeholders impacted by the Arizona workforce system. These face-to-face meetings included representatives from the Governor's Office of Education Innovation, DES, ACA, Community Colleges, Arizona Department of Education, community-based organizations, Local Workforce Investment Area executive directors, Vocational Rehabilitation, and Youth Service Delivery.

A draft plan was published for public comment on June 22, 2012, and posted at:

- www.azdes.gov/IWPinput2016
- www.azdes.gov/wia

On June 22, 2012 emails were sent notifying Senior Community Service Employment Programs (SCSEP) stakeholders of the public comment period and asking them to share the information with their community parties and other interested parties:

- DES Division of Aging and Adult Services (State Unit on Aging/SCSEP State Grantee)
- Governor's Office on Aging
- Governor's Advisory Council on Aging
- SCSEP National Grantees

On June 22, 2012, a notice was posted at 1717 W. Jefferson, Phoenix, Arizona, and on June 23, 2012 and July 7, 2012, an ad ran in the *Arizona Republic* newspaper.

On June 25, 2012, the Division of Aging and Adult Services sent the draft plan link to all eight Area Agency on Aging Directors.

An internal mailbox was created to receive public comments. Public comments were reviewed and discussed by the ACA and DES. A revised draft included recommendations by the U.S. Department of Labor to further explain points within the plan.

The GCWP Education Committee reviewed the draft and provided feedback. The full GCWP reviewed the draft and voted to accept it on July 26, 2012. The Council approved the Integrated Plan.

Vocational Rehabilitation Representation

The composition of the GCWP includes a representative of the interests of Vocational Rehabilitation. The DES Rehabilitation Services Administration will identify areas of collaboration to strengthen the partnership and provide additional access points and services to Vocational Rehabilitation participants.

Arizona continues to support Disability Navigators, a resource for individuals with disabilities. When the funding for the Navigator positions was withdrawn, DES picked up those individuals and funded them through Wagner-Peyser, where they work as Navigators with Employment Service activities. The Navigators are strategically located in areas where they can be most effective.

3. Local Area Designations

Local Workforce Investment Areas were designated initially according to the guidelines outlined in the Workforce Investment Act. The 12 designated LWIAs provide an array of services in their Local Workforce Investment Areas, directly and indirectly, as specified in their local plans, and are accountable to the Local Workforce Investment Area Boards (LWIBs). The LWIBs are responsible for strategic planning, program oversight, and coordination of resources.

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Phone: (520) 439-3542

Coconino County

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Nineteen Tribal Nations

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Yuma County

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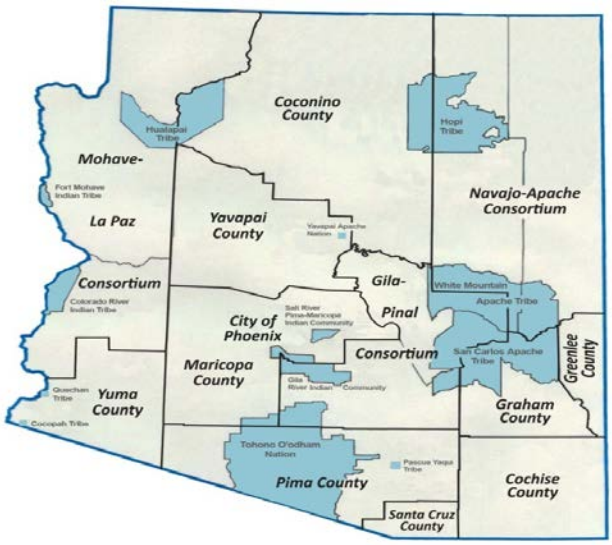
Local Workforce Investment Area Information

Local Area	Fiscal Agent	Administrative Entity	One Stop Operator
City Of Phoenix	City of Phoenix	City of Phoenix and the Phoenix Workforce Connection Board	City of Phoenix
Coconino County	Coconino County Career Center	Coconino County Career Center	Consortium of Wagner-Peyser, Unemployment Insurance, Veterans Employment and Training, WIA Title I Adult, Youth and Dislocated Workers, in conjunction with the LWIB and LEO
Gila/Pinal Counties	Fiscal Department of County Division of Health and Human Services	Gila County	Consortium of DES, Employment Administration, Central Arizona Association of Governments, Gila County Division of Health and Community Services
Maricopa County	Maricopa County Human Services Department	Maricopa County Human Services Department	Maricopa County Workforce Development Division
Mohave/La Paz Counties	Mohave County	La Paz County	Mohave County One Stop Center La Paz County One Stop Center
Navajo/Apache Counties	Navajo County Finance Department	Navajo County Board of Supervisors	Consortium of Wagner-Peyser, WIA Title I Adult, Dislocated Worker, and Northland Pioneer College
Nineteen Tribal Nations	Each chief elected official determines and designates the responsible fiscal agent for their respective area.	Program directors of each area are responsible for the administrative functions (13 administrative entities)	Gila River Indian Community
Pima County	Pima County Finance Department	Pima County Community Services, Employment and Training Department	Pima County Community Services, Employment and Training Department
Santa Cruz County	Santa Cruz County Finance Department	Santa Cruz County Workforce Development Administration	Santa Cruz County WIA Administration
Southeastern Workforce Area (Cochise, Graham and Greenlee Counties)	Cochise County (Current)	Cochise County (Current)	Cochise County (Current)
Yavapai County	Yavapai County	Northern Arizona Council of Governments (NACOG)	Consortium of: Department of Economic Security, Northern Arizona Council of Governments, Yavapai College
Yuma County	Yuma Private Industry Council	Yuma Private Industry Council	Career Resource Center operated by Yuma Private Industry Council

Comprehensive and Affiliate Centers

A list of available job centers in each of the Local Workforce Investment Areas can be viewed at: https://www.azdes.gov/InternetFiles/InternetProgrammaticForms/pdf/2012_Directory_of_One-Stop_Centers_2012.pdf

Nineteen Tribal Nations Map



Compliance with Local Area Designation

The State works with the Governor's Council on Workforce Policy (GCWP)/Workforce Arizona Council (WAC) to ensure that designation of Local Workforce Investment Areas complies with federal regulations as defined in WIA Final Rule, 20 CFR Part 652, § 661.250.

Arizona is in the process of identifying opportunities to merge Local Workforce Investment Areas to leverage funds and streamline service delivery.

The first merger identified involved Cochise, Graham and Greenlee counties in southeast Arizona. In the three counties are 179,172 citizens who may be eligible for WIA or other safety net services. County managers worked with DES and ACA to consider the merger and which of the three counties would take the lead. The following information provided the justification for the decision to name Cochise County as the lead:

- Graham and Greenlee counties did not have a comprehensive One Stop Service Center, while Cochise County has a very successful, comprehensive One Stop Service Center.
- Greenlee County had not met several performance standards for more than one year and was being reorganized.
- The three counties have contiguous borders.
- The three counties have similar economic issues.
- Cochise County is the largest in area and population. At 6,140 square miles, it is a third larger than Graham County, and its population of 133,347 is 2½ times that of Graham. (Greenlee County is Arizona's smallest in both respects.)

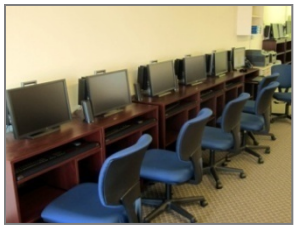
In June 2012, a Memorandum of Understanding was signed by the three counties and Cochise County Workforce Development. A combined retreat was held, from which came the goals and objectives for the tri-county area for the next program year. Each county provided names for Workforce Investment Board members, and appointments are complete. The first combined county board meeting was held in Sierra Vista (Cochise County's largest city) on August 9, 2012. DES will coordinate the re-designation process with the three counties, the Governor's Council on Workforce Policy, and the Governor's office.

Space has been rented and renovated in Graham County that will house WIA and Employment Services to provide a comprehensive One Stop for Graham County. Construction of a facility to house the two primary partner agencies is scheduled to begin in 2013.

In Greenlee County, WIA and DES are jointly housed in the current DES building.

Cochise County has maintained its previous locations. All One Stops were opened and operational on July 1, 2012.

The Workforce Arizona Council will work with local elected officials to consider other merger possibilities. DES and ACA have had discussions with the two county managers in the Gila/Pinal LWIA regarding the potential re-designation of the current LWIA. These discussions will continue until a plan of action can be agreed upon by all parties.



B. Operating Systems and Policies Supporting the State's Strategies

1. State Operating Systems

Infused with WIA and Wagner-Peyser funding, Arizona has strategies in place to:

- address life-long learning and post-secondary education strategies,
- attract and retain high-wage jobs, and
- diversify the state's economy.

Arizona Job Connection

WIA formula funding has allowed Arizona to launch a comprehensive workforce case management and reporting system – the Arizona Job Connection (AJC) – that is designed to support development and use of technology to train workers for high-demand, high-wage industries statewide.

AJC will provide case management, data collection and reporting capabilities for U.S. Department of Labor (USDOL) programs and further provide flexibility to include other workforce-related programs. In addition, AJC will improve the effectiveness and efficiency of DES and local one–stop partners in managing the activities of workforce participants.

Features. AJC consists of a comprehensive software system capable of reporting all required data to the USDOL under the reporting requirements. The system requires minimal interaction to ensure data accuracy and timely reporting. Further, AJC will:

- meet the service, tracking, reporting and follow-up requirements under the USDOL's performance measures for the Workforce Investment Act (WIA), Wagner-Peyser Act and/or their successors,
- provide local One Stop centers with accurate individual and aggregate tracking, reporting and follow-up data for those programs, and
- offer the flexibility to serve WIA-mandated partner programs and other workforce programs.

Benefits. Using AJC's case management and participant tracking component, LWIA staff can:

- manage and monitor caseloads,
- assess employment barriers,
- establish training and employment plans,
- track literacy and numeracy gains for out-of-school youth,
- track literacy and numeracy goals for in-school youth and any out-of-school youth assessed as needing Basic, Work Readiness or Occupational Skills, and
- search for and select WIA Youth Services Providers.

In addition, staff and participants can access the WIA Eligible Training Provider (ETP) List as a source of training provider information for job seekers and employers. A universal information client record will avoid duplicate data entry, even in the case of multi-program enrollments and services by different agencies. Numerous edit checks ensure accurate data entry, minimizing the time and effort required for validation.

Online access allows staff and administrators to monitor progress toward youth performance goals at any time. Reports can be viewed and saved in Excel or HTML, and most allow the user to drill down to a specific client record.

AJC priorities are consistent with the national vision of a demand-driven system that is focused on more efficient use of employment and training funds and preparing Arizona's human resources to meet the demands of the state's growing businesses.

Partnerships

Carrying out the State's strategies and achieving related objectives requires coordinating Arizona's education, workforce and economic development resources.

The State will continue to promote partnerships with community colleges, labor organizations, registered apprenticeship programs, civic groups and community organizations to align workforce development strategies for regional development and prosperity. Education at every level will closely align with jobs and industries important to local and regional economies. The outcomes will be achieved by using innovative technology and state-of-the-art practices to expand and strengthen the capacity of the entire workforce system, creating the pipeline for increased access to education and training opportunities for

adults, dislocated workers and low-income adults needing to acquire new skills.

By monitoring the skills needed for emerging occupations, Arizona will align training programs to prepare Arizona's workforce to compete in the global economy. The integration of information and knowledge will result in the automatic analysis of job needs and worker skills. This results in more effective and efficient partnerships to satisfy Arizona's economic challenges.

2. State Policies

All Arizona workforce system policies will support alignment of service delivery and a focus on creating and growing business. As indicated elsewhere in this Plan, the Workforce Arizona Council (WAC) will review and revise all workforce system policies and include alignment and seamless strategies that are customer-focused and demand-driven. The policy development will be a collaborative approach bringing in stakeholders to assist.

In particular, four new policies will provide specific direction on supporting the strategies outlined by the Governor and further explained through the plans established by the WAC, ACA and DES:

- chartering policy to certify Local Workforce Investment Area One Stop Service Centers,
- functional alignment of job seeker and business services,
- One Stop system functional alignment and service integration, and
- access and use of the Arizona Job Connection by WIA and Wagner-Peyser funded staff.

Additional information on policy alignment is provided on page 32 of this Plan.

Branding Efforts

The USDOL Employment and Training Administration (ETA) has asked Arizona to include in its Plan a discussion regarding implementation of the American Job Center Network brand to project a unifying name and brand that identifies virtual and in-person publicly funded workforce development services as part of a single network.

Consistent with this request, and in an effort to market Arizona's workforce services to employers and jobseekers, Arizona undertook its own branding effort several years ago. As suggested by ETA, interested parties worked closely to devise a unifying, descriptive brand name that would link and coordinate the many parts of our workforce system. This endeavor involved the Governor's Council on Workforce Policy (GCWP), the Local Workforce Investment Areas, DES and ACA. The result is the "Arizona Workforce Connection" brand that is used throughout the state. This was an extensive effort and it helped to create the universally identified workforce brand in Arizona. It is a name with which thousands of employers and jobseekers are familiar. In short, this branding effort has been an unqualified success.

In further capitalizing on the Arizona Workforce Connection brand, Arizona will consider encouraging partners to use, as suggested by ETA, the tagline "A Proud Partner of the American Job Center network" and adding that language to the existing brand. For this analysis, we will consult with experts who can assist us in crafting an effective approach, using the suggested language or creating an alternative that is more specific to the Arizona market.

As the recommendation for the branding modification and expansion of its use comes without additional funding for implementation, the State is surveying Local Workforce Investment Areas for their input regarding cost impacts. Once this information is gathered, there will be a formal discussion of major stakeholders regarding the information collected, options for next steps, and steps for implementation.

Arizona would have normally used the 10% set-aside funds for projects such as this, but those funds no longer exist at the state level. Depending on the resources available, the branding process would be completed by May 2013, and ETA will be advised of the State's progress in the interim.

3. Program Alignment

Arizona is committed to improving access and customer service to business and job seeker customers by re-engineering processes to align programs and services in a more efficient and effective manner. The re-engineering will simplify government bureaucracies and aggressively focus on customer needs and expectations. This requires a commitment to a cultural change, from the top down and the bottom up, to help connect people to paychecks.

The Arizona Commerce Authority (ACA) and Department of Economic Security (DES) will work together to first align Workforce Investment Act (WIA) and Wagner-Peyser services that are provided through the Arizona One Stop Service Centers. Continued and expanded co-location efforts will enhance the crosswalk of both programs to ensure that functions and measured results are maintained or enhanced. Local Workforce Investment Areas will be asked to assist with this process.

Arizona will establish a "no wrong door" philosophy that uses a seamless approach to helping business and job seeker customers. Business service realignment is discussed under the Employer Services section of this Plan. Essentially, business customers will have a single point of contact through collaborative local business services teams.

Job seeker service alignment will engage in an efficient delivery system that eliminates discussion of specific funding sources and bureaucratic acronyms and focuses on functions designed to serve customers across agencies. The concept is that individuals will be served, not as "one stop" on their way to "many stops," but with the One Stop Service Centers living up to their name, i.e., "first-stop, last-stop" where job seekers are provided access to the many services and programs that entail the Arizona Workforce Connection.

Partner programs, starting with Wagner-Peyser and WIA Title I-B, will be members of two teams. The first will be their corporate or funding source team, i.e., the entity that pays them and provides formal supervision, general direction and guidance. The second team involves each staff person belonging to an integrated, functionally aligned group that provides convenient service to its job seeker and business customers. The aligned team will participate in functional supervision related to day-to-day activities.

Local Workforce Investment Area One Stop operators will be required to present a plan of how they will address formal and functional supervision that violates no merit staff requirements and provides a customer-focused service delivery methodology.

It is recognized that State employees and local community-based or government employees work for two very different business cultures, and the State understands the need to train and support the transition from siloed or partially integrated systems to functionally aligned local systems.

Specifically, One Stop operators will establish functional teams for key services such as greeting and information, assessment, career coaching, job search and placement, and training. Business services will include functions such as job development, business development, employer event planning and participation, job orders, and job match.

This functionally aligned approach to customer service will reduce the business and job seeker confusion about which partner does what and will provide opportunities to Local Workforce Investment Areas to leverage resources and eliminate duplication of services. Turf issues across and among partner agencies will diminish as staff members become comfortable and proficient in working as a team with a common goal: jobs for people and people for jobs.

Staff members who interact with customers will serve as brokers of service, helping to assemble a package tailored to a business or job seeker customer. The package might include services, resources and support that come from multiple funding streams but that appear totally integrated to the customer who is justifiably indifferent to internal distinctions. Co-enrollments will be encouraged whenever appropriate.

The ACA and DES will work with Local Workforce Investment Areas and partner agencies to establish common definitions for functions and services that cut across funding sources. In addition, common goals will be established that are inclusive of *all* participating funding source outcome requirements. Functional teams will work together to help each partner achieve its individual goals in order for the inclusive list of goals to be successfully attained.

Currently, the DES Employment Service (ES) program is co-located in all comprehensive One Stop

locations in the state, with some of the ES staff available full-time at each comprehensive center. ES staff is also co-located in some of the satellite One Stop locations. ES continues to offer many of its primary services in DES offices. Since DES operates the Temporary Assistance to Needy Families (TANF) program and Supplemental Nutritional Assistance Program (SNAP E&T), an ES presence expedites services to this core set of clients.

The Workforce Arizona Council (WAC) will engage in a study to determine the effectiveness of the current structure, partner roles and responsibilities, and evidence-based results to assist in the re-engineering of the alignment of programs. Further, the WAC will oversee development and implementation of a policy to ensure access to the Arizona Job Connection (AJC) by both WIA and Wagner-Peyser team members.

The newly agreed-upon program alignment will necessitate Arizona working with ES, TANF and SNAP to co-locate in comprehensive centers. The WAC will facilitate the discussion to establish a collaborative timeline and structure for aligning each of these important services.

It is expected that Wagner-Peyser and WIA Adult and Dislocated Worker functionally aligned teams will be in place by July 1, 2013, followed by the inclusion of appropriate partners such as Apprenticeship, TANF work programs and SCSEP by July 1, 2014. Local Workforce Investment Areas will be required to submit a plan that outlines the partner agencies and expected alignment dates.

Customized recruitment services for employers may be organized and coordinated through an Employment Specialist at the request of hiring employers. Scheduling pre-screened, qualified job applicants for employment interviews can streamline the recruitment process for an employer, saving time and money in selecting and hiring qualified candidates for their company. This specialized employer service enhances the working relationship between an employer and an Employment Specialist, creating a better understanding of the workforce.

Plans are currently being formalized to integrate the efforts of ES and Local Workforce Investment Areas regarding job referrals and delivery of other services, in order to ensure that the Arizona Workforce Connection is a truly seamless system to job-seekers and the employer community. A pilot program is being developed by representatives from the State WIA and Employment Service programs, Local Workforce Investment Area staff and the WAC. The pilot program will focus on rural workforce areas to create a service flow in which core services, including job referral, will be delivered by functionally aligned staff and not dictated strictly by program alliance. Rural areas were selected for the pilot, as there is a need to address staffing coordination in areas that serve a large geographic area and where staffing presents logistical challenges. This job referral system will be built based on a standardized model that will allow for local area flexibility on how to implement and integrate services delivery.

The AJC gives employers the option of selecting the type of job posting disclosure level that satisfies their recruitment needs. The customer service focus method offers public, public-limited, and private-disclosure options. An employer may elect to work closely with an Employment Specialist on public-limited job postings to ensure that pre-screening of a job seeker's qualifications are matched against the job listing requirements and appropriate referrals are made. Private job postings may be managed through an Executive Account approach, handled by a Senior Employment Specialist who assumes responsibility for each business account enlisted.

Taking into consideration the need for such streamlined service delivery, the model will include the development of a new policy that aligns service tracking across the state. This policy will take into consideration the following:

- WIA self-service and informational core services and activities that can be tracked per participant and *do not* result in inclusion in WIA performance calculations; and
- WIA staff-assisted core services and activities that can be tracked per participant and *do* result in inclusion in WIA performance calculations.

4. Rapid Response

State-level Rapid Response activities are managed by the Department of Economic Security (DES) WIA Field Operations Supervisor. The Supervisor is responsible for the entry of Worker Adjustment and Retraining Notification (WARN) into the Arizona Job Connection (AJC). Once the WARN notices are entered into AJC, the appropriate Local Workforce Investment Area (LWIA) Rapid Response Coordinator is notified. DES Field Liaisons provide technical assistance to their assigned Local Workforce Investment Areas.

In order to properly assess the current Rapid Response system, DES hosted training provided by KOG Associates and attended by LWIA Rapid Response Coordinators. Two outcomes of the convening work with practitioners are expected:

- implementation of the assessment outlined in Training and Employment Notice 32-11 for the State and for LWIAs while using the self-assessment tool and gathering information to develop a manual; and
- development of a Rapid Response Manual.

The assessment points out gaps, strengths and deficiencies in response services. Equipped with this information, Arizona will be better positioned to design more effective strategies to serve dislocated workers, as well as employers with layoff aversion strategies, during times of layoff. Based on the work performed by state and local Rapid Response staff, a Rapid Response Manual will be developed and made available statewide.

State-level coordination of Rapid Response activities will include the re-establishment of quarterly Rapid Response Roundtables. A new series of roundtables will be a priority of Rapid Response activities and be based on the review of the draft Rapid Response Guide that is being composed by an outside contractor as part of a State-sponsored training series.

The State will continue to provide the overarching policy and evaluation of the Rapid Response framework, in addition to technical assistance that will ensure that Rapid Response activities are implemented at the local level.

Local Rapid Response Coordinators are responsible for connecting dislocated workers to WIA Title I-B resources. The Coordinators assist the State in promoting rapid response and early intervention services and helps develop response plans to dislocated workers. They also assist in coordinating services with additional stakeholders through integrated partnerships with the formation of Rapid Response Teams.

Rapid Response Coordinators will proactively implement effective re-employment activities and gather intelligence about potential dislocations as part of strategically planning and carrying out rapid response activities. Promoting early intervention allows Rapid Response teams to develop the appropriate service delivery strategies for the impacted employees.

By reviewing and evaluating the potential for layoff prevention, the Rapid Response team will make immediate contact and work with employers to gather information on employer layoff plans to determine layoff aversion options and provide the required re-employment activities.

A proactive approach to business services will be emphasized in relation to assisting employers who may find themselves faced with the prospects of a mass layoff. As part of this Plan, Arizona is submitting a waiver request to use Rapid Response funds for incumbent worker training in the context of layoff aversion activities.[3] This waiver will allow for a broader range of services to be provided to dislocated workers and greater flexibility in economic conditions. By assisting employers in the training of their incumbent workers, LWIAs will be better equipped to gauge the skill sets of its local workforce.

In the event that a mass layoff does occur, the local Rapid Response Coordinators will be better prepared to analyze the skill sets of impacted employees. A coordinated network of Rapid Response Coordinators will allow a statewide effort of reconnecting impacted employees by matching them with employment opportunities in similar industry sectors or with employers that can take advantage of the transferrable skills of these workers.

The State will request the inclusion of Rapid Response as part of each LWIA's Memorandums of Understanding (MOUs), which will identify the composition and role of each Rapid Response Team member.

[3] See Section II – State Operational Plan F. WIA Waiver Requests

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5. Data-Collection and Reporting Processes

The Arizona Job Connection (AJC) labor exchange system is utilized not only for case management but also for common data collection, information management, and USDOL reporting for WIA, Wagner-Peyser and TAA programs. America's Job Link Alliance, the AJC vendor, is responsible for providing upgrades to its DART (Data Analysis and Reporting Tool) system, which collects common measure data for Wagner-Peyser reporting.

The DES Employment Administration (EA) is responsible for developing policies and training for Local Workforce Investment Area staff to ensure accurate and timely data collection. To ensure data integrity, the State reviews each Local Workforce Investment Area's performance on a quarterly schedule, utilizing the mathematical Data Reporting Validation System (DRVS). This program detects and calculates performance warning and rejects errors in the local data. DES/WIA's Field Operations Liaisons work throughout the year with assigned Local Workforce Investment Areas to review WIA performance data and assist them in improving program operations and data collection accuracy.

The EA staffs an integrated, cross-functional Help Desk that serves WIA, Wagner-Peyser, UI Tax and Wage, SIDES-E Response, Labor Exchange, UI Benefits, SNA E&T Program, and TANF/Jobs customers statewide.

6. State Performance Accountability System

Arizona is using the 17 performance indicators outlined in WIA Section 136 and the Federal Register, with the changes and additions outlined in Training and Employment Guidance Letter No. 17¬05.

In developing performance goals for each of Arizona's Local Workforce Investment Areas (LWIAs), the State analyzed each LWIA's demographics, industry profiles, labor force and accessibility to human services (e.g., child care and transportation). Arizona's economic conditions and two-year projections were also major considerations.

As required by USDOL, Arizona uses USDOL technical specifications for calculating each of the WIA core indicators/measures and developing the subsequent state and local baseline performance levels.

The State will work to strengthen the relationship between the LWIAs and the Arizona Department of Administration's Office of Employment and Population Statistics to help Local Workforce Investment Areas translate labor market information in developing their local proposed levels of performance.

Each LWIA board will submit to the State their proposed level of performance for each of the core indicators. If the levels of performance deviate from the state baseline, the board will be required to provide the documentation used to determine their proposed goals, such as past performance Government Performance and Results Act (GPRA) goals, National/State/Local comparisons, and economic and demographic variables.

The State uses wages from Unemployment Insurance (UI) and the Wage Record Interchange System (WRIS) to calculate the employment-based performance measures for the WIA Quarterly (9090) and Annual (9091) reports. Also, for the Employment Service 9002, Vets 200 reports and the TAA reports, in setting performance goals under the WIA, the State sought to establish levels that are both realistic and attainable under known economic conditions. Calculations and baseline data for each of the employment-related indicators were developed using USDOL methodology.

7. Wage Record Information

The Arizona Job Connection (AJC) is a case management system that offers a full range of services to all workforce investment system customers, job seekers and employers. The system specifications and business rules, which conform to Workforce Investment Act Standardized Record Data (WIASRD) and State requirements, help staff determine eligibility and enrollment, track service activities, assess individuals, and ensure data accuracy and validity.

The AJC's report component has federal reporting options that include the ETA 9090 Quarterly, WIA 9091 Annual and ES 9002 reports, which can be generated on demand to give management valuable information for improving service delivery and enhancing performance. In measuring performance, the WIASRD file can be used to measure performance and provide breakdowns by Earnings Change, Total Exiters, Total Registrants, Entered Employment, Employment Retention, Credential Rate and Quarterly Summaries.

C. Services to State Target Populations

1. Employment, Re-Employment, and Training Needs

The partners in Arizona's workforce development system have committed to work together to ensure that job seekers receive a broad range of services as needed. Following is DES's approach for working with:

- Unemployment compensation claimants: unemployed, underemployed
- Reemployment
- Veterans
- Homeless veterans
- Low-income individuals and recipients of public assistance
- Ex-offenders
- Limited English proficiency
- Nontraditional employment
- Multiple challenges to employment
- Migrant and seasonal farm workers
- Older workers
- Vocational Rehabilitation.

Unemployment Compensation Claimants: Unemployed, Underemployed

Employment Services (ES) targets Unemployment Insurance (UI) claimants who are most likely to exhaust benefits before getting a job. Claimants will be selected via a statistical model based on claimant information entered at the time of the initial claim. The automated process utilizes the AIRSNet profiling system to identify those targeted participants.

HIGHLIGHT

All UI claimants who report as scheduled for orientation to ES via the Re-Employment (RES) program receive the five mandatory core services:

- Assessment of skills, interests, abilities, and supportive service needs.
- Registration in the Arizona Job Connection (AJC) System.
- Labor market information.
- Job search and placement assistance.
- Development of an employability plan.

In addition to the core services, individuals who report as scheduled for ES orientation via the WPRS program may be eligible to receive:

- staff-assisted job search and placement assistance,
- employability plan development assistance,
- career counseling,
- information on transferrable job skills,
- information and referral to support systems,
- job search workshops,
- job fair opportunities,
- job development,
- résumé preparation and critique,
- case management, and, when applicable,
- referrals for training.

ES services will focus on providing case management, career plan development, training and follow-up services for job seekers who present more significant barriers to employment and have a greater probability of exhausting UI benefits. ES case management will focus on providing meaningful opportunities and quality case management to individuals most affected by adverse economic developments. Services will be client-centered and tailored to the individual.

Registration with Employment Service is required for anyone approved for UI benefits. Registration is completely automated and has been incorporated into the UI benefits online initial claim application. AJC offers a full range of features and services to support claimants' employment needs, including research on the job market and analysis of career interests. Also, the AJC system maintains claimants' job-seeking information (such as career searches and occupations) in an easy-to-use file folder structure. This eliminates the need to conduct repeated searches for the same information, saving claimants time and effort.

The State's policy is to respond quickly to provide needed services to affected workers. One Stop Career Centers will have the ability to ensure a seamless

transition between ES services and One Stop core, intensive, and training services.

The State will strive to increase the numbers of claimants in training by leveraging community resources as well as developing new partnerships for training opportunities. Arizona also will seek ways to integrate less-skilled workers into training to support newly emerging high-growth industries (e.g., biosciences, sustainable energy, advanced manufacturing, and communications/information technology). Connections to "green" jobs and apprenticeship programs are also receiving priority consideration.

Arizona uses the O*Net Online occupational information network for up-to-date USDOL labor market information. For more localized information, http://www.azstats.gov is available through the Arizona Department of Administration. Both of these resources are no-cost resources of labor market information for ES staff.

Reemployment

For each of the last three years, EA has been awarded grant funding to operate the UI Reemployment and Eligibility Assessment (REA). This grant has facilitated additional employment supports in parts of Arizona where unemployment is especially high.

The REA selection pool consists of unemployment claimants who will be in their fifth week of claims filing or who have been identified through worker profiling as likely to exhaust benefits. The claimants are randomly selected by the automated system until all available interview slots are filled. (Excluded from the pool are claimants who are filing partial claims, are in approved training, or have a definite return-to-work date.)

Supported by the Layoff-to-Employment Action Planner (LEAP), the initial assessment offers UI claimants a useful picture of their financial, emotional, social, career, education, training and job search situation and their use of local services and resources. Staff is able to make appropriate employment-supported referrals and provide supportive services for personal issues.

The comprehensive assessment also includes general labor market information and a Reemployment Service Plan to ensure that claimants are making reasonable efforts to find suitable work.

Staff conducts a UI eligibility review to ensure that benefits are being properly paid to eligible claimants with greater accuracy, thereby generating greater savings to the Unemployment Trust Fund (UTF). Arizona has an established feedback loop to UI to report eligibility non-compliance issues.

HIGHLIGHT

Arizona's REA Program ensures that all required services are performed in a one-on-one setting and includes four federally required core components and six Arizona required components:

- reviewing UI eligibility and reporting potential issues,
- overview of One Stop Service Center Services,
- requirement to report to the One Stop Service Center for services,
- providing labor market information,
- development of a reemployment service plan,
- verifying the claimant's identity,
- ensuring there are no potential barriers to reemployment,
- referrals to One Stop partner services,
- reviewing work search records, and
- updating UI automated records.

The Wagner-Peyser Employment Service is an integral part of the Arizona Job Connection (AJC) employment information system. Employment Service focuses on providing a variety of employment related services including, but not limited to:

- job search assistance,
- job referral and placement assistance for job seekers,
- re-employment service to unemployment insurance claimants, and
- recruitment service to employers with job openings.

Depending on the needs of the labor market and other related services (e.g., job seeker assessment of skill levels, abilities and aptitudes; career guidance when appropriate; job search workshops; and referral to available training), services are delivered via one or more of three approaches involving self-service, facilitated self-service, and staff-assisted service.

Employment Service, which is provided through the One Stop system, offers comprehensive and collaborative services to employers and job seekers.

Services include pre-employment workshops, job search assistance, résumé and application preparation, career assessments, labor market information, job fairs, referrals to training, and referrals for available jobs. As a cornerstone of the Wagner-Peyser Act, universal access is given to customers who can obtain these services in person or through Arizona's AJC system.

The **Arizona Job Connection** (AJC), an Internet-based workforce development system, allows for business customers to post available jobs. AJC also allows job seekers to register for available job openings, develop résumés, and begin the eligibility process for WIA services, and it supports the dual-customer approach through universal access to both business partners and the public. The AJC system coordinates activities to avoid duplication by providing modules for common intake, case management, common data collection, and reporting. Individuals requiring training or support services are referred to the programs offered under Title I and Title II of the Workforce Investment Act.

Existing co-location sites provide the full array of core services as required under the Wagner-Peyser Act and WIA Title I. Services include placement assistance, vocational counseling, unemployment insurance information, job development, employer outreach and labor market information. Core services are provided to all, whether entering a center where co-location exists or where co-location has not occurred. A referral process to the appropriate partner is in place to ensure provision of service to adults and dislocated workers.

All comprehensive One Stop Career Centers offer a resource room that is open to all customers and includes use of a fax machine, copier and other equipment necessary for job searches and career development. AJC is the Internet tool used to facilitate customer choice of services. Each local One Stop Career Center is driven by the needs of the local labor market, demand for skills in the community, training and educational opportunities, and local support services.

Veterans

State policy was developed by a workgroup consisting of WIA and ES staff, the ES Veterans Representative and the ETA/DOL Veteran's Representative, to ensure that covered persons are identified at the point of entry in all One Stop Career Centers or ES offices. The workgroup was tasked with the review and implementation of 20 CFR Part 1010, Priority of Service for Covered Persons; Final Rule issued December 19, 2008.

The strategies developed by the workgroup include:

- a veterans' services pamphlet, for veterans and covered persons, that will be made available in One Stop Career Centers and ES facilities throughout the state;
- signage that will assist with identifying veterans and covered persons at the point of entry;
- changes to the AJC home page that will provide information to veterans and covered persons when accessing the system during self-registration, whether at program operator sites or remote locations;
- training for partners in the One Stop Career Centers and ES facilities; and,
- guidance for LWIBs to ensure that local plans include implementation of priority of service in the local One Stop Career Centers and service delivery by workforce preparation and training providers.

The State policies were developed to ensure that all covered persons are aware of:

- **Entitlement to Priority of Service.** Arizona's One Stop Partners Service for Covered Persons (Final Rule) defines "priority of service" with respect to any qualified job-training program and Employment Administration (EA), as directed by the Jobs for Veterans Act 2002 (Public Law 107-288) and the USDOL/ETA Training, 20 CFR Part 1010, Priority of Service for Covered Persons; Final Rule and Employment Guidance Letter (TEGL) 10-09, which require implementation of priority of service for veterans in all USDOL job training programs, will develop signage and informational pamphlets to inform covered persons of priority of service. These policies will also include staff training, staff awareness, and implementation of policies to ensure compliance as directed by 20 CFR Part 1010, Priority of Service for Covered Persons.

- **The Full Array of Employment, Training, and Placement Services Available under Priority of Service.** Public Law 107-288 and 20 CFR Part 1010, Priority of Service for Covered Persons; Final Rule defines "priority of service" with respect to any qualified job-training programs as, "a covered person (Paragraph II, E) shall be given priority over non-veterans for the receipt of employment, training, and placement services provided under that program, not withstanding any other provision in law." Priority services include, but are not limited to:
  - registration,
  - intensive services by DVOP/LVER staff,
  - testing,
  - vocational guidance,
  - referral to employment services,
  - job search workshops,
  - referral to job training,
  - referral to job openings,
  - job development,
  - training, and
  - case management.

In addition, Arizona's One Stop partners and EA, in accordance with Public Law 107-288, Section 2(a) of the Act 38 U.S.C. 4215(a) and 20 CFR Part 1010 Final Rule, which create a *priority of service* for veterans (and some spouses) "who otherwise meet the eligibility requirements for participation" in all USDOL-funded job training programs, will ensure priority of service to veterans as defined in Training and Employment Guidance Letter (TEGL) #10-09. "Affected programs" include, but are not limited to:

- WIA Adult and Dislocated Worker formula-funded programs,
- Wagner-Peyser Employment Service,
- Trade Act programs,
- National Emergency Grants,
- Senior Community Service Employment Programs (SCSEP),
- Migrant and Seasonal Farm Worker (MSFW) Program,
- Indian and Native American Program,
- H-1B Technical Skills Training Grants,
- Job Corps,
- WIA demonstration projects,
- WIA Youth formula-funded programs,
- LMI formula grants,
- USDOL-funded pilot programs,
- research and development, and
- Career One Stop electronic tools and other Internet-based self-service tools operated by USDOL grantees.

Arizona's One Stop partners and EA, in accordance with Public Law 107-288, which states, "The Secretary of Labor will determine if covered persons are receiving priority of service by the representation of Veterans in such programs, and whether the representation of Veterans in such programs is in proportion to the incidence of representation of Veterans in the labor market" and 20 CFR Part 1010, which define "covered persons" as:

- **Veteran:** a person who served in active military or air service and who was discharged or released wherefrom under conditions other than dishonorable, as specified in 38 U.S.C 101(2).
- **Eligible Spouse:** the spouse of any of the following:
  - a veteran who died of a service-connected disability;
  - any member of the armed forces service on active duty who, at the time of application for the priority, is listed as one or more of the following categories and has been so listed a total of more than 90 days: missing in action; captured in line of duty by a hostile force; or forcibly detained or interned in the line of duty by a foreign government;
  - any veteran who has a total disability resulting from a service-connected disability, as evaluated by the Veterans Administration; and
  - any veteran who died of a disability as indicated above.

The priority of service does not change the intended function of a Program.

Covered persons must meet all statutory eligibility and program requirements for participation in order to receive priority for a program or service.

In addition, a covered person under PL 107-288 is defined as:

- "Veteran" as defined by U.S.C. Title 38:

- served on active duty for more than 180 days and was discharged with other than a dishonorable discharge;
- was discharged (regardless of length of service) because of a service-connected disability; or
- was a member of a Guard or Reserve Unit, called to active duty during a war (regardless of the length of time served) or in an operation where a campaign badge was authorized and was discharged with other than a dishonorable discharge.

- "Spouse" of any of the following individuals:
  - a veteran who died of a service-connected disability;
  - any member of the armed forces listed as missing for more than ninety days;
  - any member of the armed forces forcibly detained by a foreign government or power for more than ninety days; or
  - any veteran who died while a disability so evaluated was in existence.

To extend priority of service for veterans in all USDOL-funded job training programs, Local Workforce Investment Area Boards (LWIBs) will have, as part of their local plans, veterans priority-of-service procedures that will apply to all of the One Stop partners, as directed by the Jobs for Veterans Act 2002 (Public Law 107-288) and the United States Department of Labor, Employment and Training Administration's (ETA) Training, 20 CFR Part 1010, Priority of Service for Covered Persons; Final Rule and (TEGL) 10-09.

LWIBs must ensure that priority is given to veterans and certain spouses in all USDOL employment and training programs. In general, this guidance holds that individuals meeting the outlined eligibility criteria will be afforded priority over non-veterans. Additionally, the guidance indicates that veterans' priority must be applied consistent with programmatic eligibility standards and other priorities mandated by the statute. One Stop Career Centers, in coordination with DES, will ensure that a veterans representative is available to meet with customers in the One Stops.

Homeless Veterans

The State of Arizona is diligent in its efforts to end homelessness for all veterans. The ES and Veterans Program staff members participate in a variety of activities throughout the state to assist in locating homeless veterans and other individuals.

The Veterans Program staff partners with State and local service providers to organize and conduct Veteran Stand Downs across the state, providing valuable services and resources for homeless veterans.

Homelessness

ES works with several community partners throughout the state to provide outreach to the homeless population. Project Homeless Connect (PHC) is one example of how local communities banning together to create and support lasting solutions for Arizonans experiencing homelessness. State and community partner staff and volunteers leverage community resources to provide a variety of health and human services to homeless individuals and families in an effort to move them to self-sufficiency.

Low-Income Individuals and Recipients of Public Assistance

Eligibility for training services is determined by criteria established by WIA Section 134. Funds for adults and dislocated workers are used to provide training services to:

- unemployed individuals who are unable to obtain employment through core services and who have been determined to be in need of more intensive services in order to obtain employment; or
- employed individuals who are determined to be in need of intensive and/or training services to obtain or retain employment that allows for self-sufficiency.

Workforce Information Memos #12-01 and #12-01 Change 1[4] clarify that, if adult funds are limited, priority must be given to recipients of public assistance and to other low-income individuals. In addition, via the local plan, each LWIB describes a "most in need" policy that outlines the use of adult funds for the three tiers of service. Each area is required to address how:

[4] Available at www.azdes.gov/wia/infomemos

- low-income adults and public assistance recipients will be given priority in determining eligibility for intensive services using WIA adult funds;
- services for special populations (such as older workers, public assistance recipients, and other individuals with multiple barriers to employment) will not be duplicated in a One Stop system of delivery; and
- older workers, displaced homemakers, individuals with multiple barriers, veterans, and individuals with disabilities will be served within the One Stop system.

The State has ensured that the priority of service will be re-examined in each Local Workforce Investment Area as part of the LWIA's plan modification process. The planning document asks LWIBs to outline what will be done to ensure that changes are made, in outreach to target populations and in strategies, to ensure that low-income job seekers are served. The Interagency Team will be reviewing and approving plans for Local Workforce Investment Areas that have implemented enhanced outreach and provision of services to those most in need.

Ex-Offenders

ES receives letters from incarcerated individuals prior to their release from their correctional facility. A series of informational pamphlets is provided to each individual; to assist them to identify programs and services that are available in the communities they intend to reside in. If they identify themselves as a veteran and or the spouse of a veteran, the ES Veterans staff will provide additional outreach to them, working with parole and probation officers as necessary to ensure that all veterans whose are released are provided case management services to assist their transition to the community.

One Stop Career Centers offer a variety of programs and services to meet the ex-offenders unique and or multiple barriers in gaining employment. The individuals' specific needs and challenges are assessed, and they are then referred to programs that can address their short- and long- term employment challenges.

An Individual Employment Plan (IEP) is developed to address any employment-related barriers and training needs and is recorded in AJC. The IEP is monitored to offer on-going support, identify any new needs to be addressed, and promote progress toward self-sufficiency.

Limited English Proficiency

Employment Services works with several community partners throughout the state to providing an effective outreach program to persons who have limited English proficiency (LEP).

The majority of the One Stop Career Centers have bilingual (i.e., English/Spanish) staff members. LEP customers also have access to the Language Line, which provides immediate telephonic interpretation services and helps promote awareness of available programs.

Non-Traditional Employment

One Stop Career Centers offer a variety of information on traditional and non-traditional employment and/or training opportunities within their respective communities.

Local offices conduct industry-specific, in-office recruitment and job fairs for their Local Workforce Investment Areas. These activities are also listed on the Arizona Job Connection (AJC), Arizona's labor exchange system.

Multiple Challenges to Employment

To serve individuals with multiple barriers in gaining employment, One Stop Career Centers offer access to the State's full array of workforce programs, community programs and/or One Stop partners. Individuals' specific needs and challenges are assessed, and they are then referred to programs that can address their short- and long- term employment challenges.

An Individual Employment Plan (IEP) is developed to address any employment-related barriers and training needs and is recorded in AJC. The IEP is monitored to offer on-going support, identify any new needs to be addressed, and promote progress toward self-sufficiency.

At-Risk Job Seekers

The USDOL's Federal Bonding Program (FBP) is an employer job-hire incentive that guarantees the honesty of at-risk job seekers.

Federal financing of fidelity bond insurance, issued free-of-charge to employers, enables the delivery of bonding services as a unique job placement tool to assist ex-offenders and other at-risk or hard-to-place job applicants, including but not limited to:

- ex-offenders,
- recovering substance abusers (alcohol or drugs),
- welfare recipients and other persons having poor financial credit,
- economically disadvantaged youth and adults who lack a work history, and
- individuals dishonorably discharged from the military.

The FBP provides fidelity bonding to employers, in increments of $5,000, for the first six months of employment for hard-to-place job applicants. Arizona receives five bonds per year, and they are issued on a first-come-first-served basis in response to employer applications.

Migrant and Seasonal Farm Workers

Employment Administration (EA) and Employment Service (ES) provide services through the One Stop Career Center/Labor Exchange System (OSCC/LX) to empower Migrant and Seasonal Farm Workers (MSFWs) and LEP individuals in:

- making career and labor market decisions,
- achieving economic self-sufficiency, and
- improving their living and working conditions.

An in-depth description on the service delivery methods and best practices to these individuals is included in Section II-D, "Wagner-Peyser Agricultural Outreach."

Older Workers

An In-depth description on the service delivery methods and best practices to older workers in included in Section II-H, "Senior Community Service Employment Program (SCSEP)."

2. Employment and Training Needs of Individuals with Disabilities

In accordance with 29 CFR Part 37, Sections 37.7, 37.8, and 37.9, the needs of persons with disabilities in preparing for, obtaining and maintaining employment will be met within the Workforce Investment System, especially within the One Stop Career Centers. The needs will be met in part by the following:

- One Stop Career Centers will be physically, attitudinally and environmentally accessible for persons with disabilities.
- Training materials, labor market information and other printed material will be available in alternative formats such as Braille, large print, or electronic means as requested by the individual.
- All One Stop Career Centers will be equipped with TTY or TTD devices. Staff will be trained in their use, be familiar with telephonic relay service for the deaf and hard of hearing, and have sign language interpreters on call.
- All local and State WIA staff and One Stop partners will participate in a disability awareness training sponsored by the DES Rehabilitation Services Administration (RSA).
- Programs and services will be accessible to persons with disabilities through the use of assistive technology. Each One Stop Career Center will have at least one customer-accessible computer with common accessibility devices such as JAWS, Zoom Text, sticky keys, modified keyboards and other input devices. Staff will be trained in the maintenance and operation of available assistive technology devices
- Coordinated projects will be developed with WIA partners to improve the employability, employment and career advancements of persons with disabilities, through the integration of persons with disabilities as One Stop staff, reasonable accommodation in all training programs within the One Stop system, and assuring accessibility through the Arizona Job Connection (AJC).
- RSA contracts with Arizona Center for the Blind and Visually Impaired (ACBVI) to facilitate training and resource development for employers in the use of assistive technology for various disabilities and disability awareness.
- Numerous training modules have been developed and are offered to employer groups at local Vocational Rehabilitation offices and WIA locations.
- The Disability Navigator positions will be coordinated with the Employment Administration.

Untapped Arizona

Untapped Arizona is a network of partnering organizations that help Arizona businesses meet their workforce needs by tapping into the labor pool of individuals with disabilities. Untapped Arizona is administered by the Arizona Health Care Cost Containment System (AHCCCS), the State's Medicaid agency.

Untapped Arizona is structured to give Arizona businesses a point of contact to support them with job postings, technical assistance pertaining to hiring and legal issues, reasonable accommodations and employee retention. The UNTAPPED ARIZONA Job Developer will work closely with the designated Employment Service Business Service team member to ensure that all positions are posted and monitored in AJC, to help connect qualified candidates to the businesses.

3. Comprehensive Services for Eligible Youth

The State of Arizona will seek continuation of the current waiver to procure youth service providers that are best suited to deliver comprehensive services to youth with significant barriers to employment.

Each Local Workforce Investment Area (LWIA) coordinates with these community partners to offer services to youth, especially youth with significant barriers to employment. The State will ensure that each LWIA has an active Youth Council that will provide the guidance and oversight to ensure the needs of youth are being met.

In collaboration with their partners, strategies are developed by the LWIAs to provide initial intake, objective assessment, case management and individual service strategies and eligibility assessment. Youth are assessed using standardized evaluation tools to identify deficiencies in basic occupational and work readiness skills, to establish goals for required WIA skill attainment performance measures. These assessments will focus on education and employment. Taking into consideration the high unemployment rate of youth as noted on page 17 local workforce areas will continue to seek opportunities and build relationships to collaborate with local employers in targeted industries, to enter into work experience contracts which allow the youth to gain the skills necessary to obtain employment based on the local labor market. This will provide the youth with acquiring the personal attributes, knowledge and skills needed to obtain a job and advance in employment.

Individual service strategies will be completed during the assessment phase to include a customized competency-based strategy plan to include short- and long-term training and employment goals. The strategy plans will be regularly reviewed and updated by case managers to ensure that youth participants are on track to meet their stated goals and to ensure that, as they progress throughout their plan, referrals to appropriate resources are provided to ensure that a progressive, comprehensive approach to goal achievement is put in place.

The State will adopt policies and procedures to assist Local Workforce Investment Area Boards (LWIBs) in the continuing evolution of comprehensive strategies to coordinate youth activities and services. One area of emphasis will be the guidance provided by the Workforce Arizona Council (WAC) to emphasize the importance of viable and active Youth Councils in each of the LWIAs and ensure compliance with the requirement that a Job Corps member is represented on the local Youth Council.

As a strong strategic partner, Job Corps will be seen as a leading expert in developing youth service strategies. These strategies will include referrals made between providers of youth services and co-enrollments between LWIAs, youth service providers and Job Corps programs.

Each LWIA will work with local Job Corps, business and community liaisons to ensure they are included in the comprehensive network of business outreach and job development. These collaborative efforts will ensure that each Job Corps center is an extension of the greater local workforce system focused on the same workforce strategies.

As with other aspects and partner programs outlined in this plan, coordination with Job Corps will be specifically outlined in each local Memorandum of Understanding (MOU). The MOU will detail the activities that will be conducted by each One Stop Service Center location with respect to outreach and admissions, center operations, career placement and transition services.

D. Wagner-Peyser Agricultural Outreach

Arizona strategies to ensure that the full range of employment and training programs and services delivered through the state's One Stop delivery system are accessible and will meet the needs of Migrant and Seasonal Farm Workers.[5]

Employment Administration (EA) and Employment Service (ES) will provide services through the One Stop Career Center/Labor Exchange System (OSCC/LX) to empower Migrant and Seasonal Farm Workers and limited English proficient (LEP) individuals in:

- making career and labor market decisions,
- achieving economic self-sufficiency, and
- improving their living and working conditions.

Workforce Investment Act (WIA) principles will be utilized in tailoring OSCC/LX to local socioeconomic dynamics, needs and resources. Service delivery to Migrant and Seasonal Farm Workers will be consistent with 20 CFR 653.107, WIA Title I final regulations, the WIA/Wagner-Peyser (WP) Act Planning Guidance, and applicable WIA Workforce Development regulations.

Program performance will be monitored continuously to ensure that outreach and program services are conducted in accordance with federal program mandates for provision of services to Migrant and Seasonal Farm Workers in a manner that is qualitatively equivalent and quantitatively proportionate to services provided to other categories of workers.

The ES staff will strive to meet and exceed federal program requirements with respect to equity and minimum service level indicators of compliance. The ES mission will include assisting agricultural and non-agricultural employers in recruitment efforts and in attaining and maintaining compliance with laws and regulations impacting their business operations.

EA will focus on flexibility, customer choice, universal access and continuous improvement in developing OSCC/LX to allow for self-service and staff-assisted services to Migrant and Seasonal Farm Workers.

EA will continue to develop strategic partnerships that will promote employer job orders, applicant talents, employment and training opportunities, and timely resolution of complaints, apparent violations, and other labor-related issues. Elements covered on an equitable and nondiscriminatory basis will include Migrant and Seasonal Farm Worker benefits and protections, vocational counseling, testing, job development and job referral services.

EA will adhere to guiding principles that ensure a system of service delivery that:

- is individual and family driven;
- is effectively integrated;
- protects the rights of families and individuals;
- allows smooth transition between programs;
- builds community capacity to serve families and individuals;
- emphasizes prevention and early intervention;
- respects customers, partners and fellow employees;
- is evaluated for outcomes;
- is coordinated across systems;
- is personalized to meet the needs of families and individuals;
- is accessible, accountable, and comprehensive;
- is culturally and linguistically appropriate and respectful; and
- is strength-based and delivered in the least intrusive manner.

Assessment of Need

"Migrant and Seasonal Farmworker Enumeration Profiles Study, Arizona" released by Alice C. Larson, Ph.D., in March 2008 estimated that there were 67,704 Migrant and Seasonal Farm Workers in the state. This study is the most accurate and current estimate.

Input received from the National Farm Workers Job Program, the Arizona State (WIA-167) grantee for contributing to the development of this service plan, suggests that the population has not changed significantly, and that many organizations and government

[5] Pursuant to 20 CFR 653.107, the WIA Title I final regulations, the WIA/WP Act Integrated Workforce Planning Guidance, and applicable WIA Workforce Development regulations.

agencies that work with this target population use such data in providing services, planning, policy setting, health care support, regulatory assistance, identification of underserved areas, agricultural production, determining whether resources are appropriate to the need, and many other areas.

The Larson report and similar studies of 14 other agriculturally active states have been widely reviewed and gained general acceptance as offering a reasonable approach to estimating farm worker population.

Arizona's farm labor workforce is made up of the following groups:

- *Seasonal Farm Workers:* Individuals who during the prior 12 months worked at least 25 full or partial days performing farm work, earned at least half of their income from farm work, and did not do farm work year-round for the same employer. In accordance with this definition, farm labor contractors and farm labor contractor employees will be assigned appropriate migrant and/or seasonal farm worker codes.
- *Migrant Farm Workers:* Seasonal farm workers who travel to perform farm work and are unable to return to their permanent residence in the same day. Arizona's migrant farm worker labor force consists of intrastate, interstate, and international (border commuters) farm workers.
- *Migrant Food Processors:* Seasonal farm workers who travel to perform farm work for food processing[6] and who are unable to return to their permanent residence the same day.
- *Intrastate Migrant Farm Workers:* Individuals who follow migrant streams within the state. These farm workers usually migrate throughout Arizona's agricultural areas (i.e., Yuma, Cochise, Pinal and Maricopa counties).
- *Interstate Migrant Farm Workers:* Individuals who follow migrant worker streams, usually along western states. Most interstate migrant farm workers in Arizona migrate through Oregon, Idaho, Washington, California, Nevada, Utah, Colorado, New Mexico and Texas.
- *International Migrant Farm Workers (Border Commuters):* Farm workers who have legal authorization to work in the U.S. and commute daily across the U.S./Mexico border.
- *Foreign Labor Certified Farm Workers:* Individuals with temporary H-2A visas authorizing them to work in the U.S. on a seasonal basis for a pre-determined employer under specific terms and conditions.

Seasonal, Migrant, and Migrant Food Processor farm workers are identified, coded, tracked and referenced in service reports for the purpose of meeting compliance with federal program requirements.

Farm Labor Contractors employed seasonally by more than one agricultural producer will be coded as Migrant and Seasonal Farm Workers, and services provided to them will contribute to the attainment of program indicators of compliance. Focus is placed in identifying and providing services to Migrant and Seasonal Farm Workers, as they are usually in greater need for support services when they migrate to areas where they are not as aware of services and resources.

Farm Worker Needs and Barriers

EA recognizes that farm workers possess specific needs and face certain barriers that result from cultural, educational, linguistic, scheduling, logistic, and other dynamics that are inherent to that population. EA will continue to seek stakeholder and customer input and will engage and encourage Migrant and Seasonal Farm Worker service providers to address needs and collaborate in order to remove barriers to improved living and working conditions.

Needs

Farm worker needs include, but are not limited to, the following:

- timely labor market information to facilitate planning for continuous employment;
- occupational guidance and training to maintain a job or transition into a different occupation or industry;
- transportation to seek employment or supportive services;
- affordable and adequate housing;

[6] As classified in the North American Industry Classification System (NAICS) 311411, 311611, 311421 for food processing).

- information from various jurisdictions on labor laws and worker rights, protections, and responsibilities;
- supportive services to enable Migrant and Seasonal Farm Workers to obtain and maintain employment; and
- fair and equitable conditions and supervision from trained and committed field foremen, supervisors and farm labor contractors.

Barriers

Barriers that confront farm workers include, but are not limited to, the following:

- decreased demand for a farm worker labor force due to innovations in automated farming, agricultural technology, and application of chemical herbicides;
- urban sprawl resulting in farm worker job displacement without corresponding assistance for reemployment;
- lack of timely, reliable data and information pertinent to intrastate and interstate job openings and supportive services;
- provider service delivery hours of operation that conflict with Migrant and Seasonal Farm Workers' work schedules;
- lack of transportation, limiting access to jobs and supportive services;
- limited employment opportunities in rural areas, and increased competition for entry-level jobs in urban areas;
- underemployment or unemployment due to limited literacy education, limited English proficiency skills, and lack of non-agricultural job experience;
- limited participation in support programs due to lack of understanding of eligibility and other factors, such as impact on immigration status for having utilized certain services;
- lack of full-time, year-round work, combined with low wages, that relegates Migrant and Seasonal Farm Workers to living below the poverty line;
- competition from undocumented workers who work for less pay and substandard living and working conditions;
- competition from intrastate and interstate farm labor contractors who follow migrant streams accompanied by their own farm worker crews;
- limited educational opportunities for Migrant and Seasonal Farm Workers and limited English proficient individuals; and
- lack of knowledge with respect to automation (phones and computers), resulting in increasing challenges to access information, services, and benefits.

MSFW Services via OSCC/LX

Employment Service offices in coordination with other strategic partners in the OSCC/LX and affiliated sites will provide Migrant and Seasonal Farm Workers and Limited English Proficient individuals with service including but not limited to the following:

- assistance with the full range of employment services, benefits, and protections on a basis that is qualitatively equivalent and quantitatively proportionate to services provided to non-Migrant and Seasonal Farm Workers;
- assistance in utilizing job order information effectively;
- assistance through staff-assisted activities and/or as requested or necessary when accessing self-assisted services via electronic technologies;
- referral to agricultural and non-agricultural jobs, training, and support services, as well as available testing, counseling, and other job development services;
- provide basic information on labor rights, protections, and responsibilities with respect to terms and conditions of employment;
- assistance in the preparation of complaints related to Employment Service and non-Employment Service;
- acceptance and referral of labor-related complaints and apparent violations in accordance with established policies and procedures;
- referral of individual or family member to supportive services for which they may be eligible;

- assistance in making appointments for individuals and families;
- contact to follow-up as necessary and appropriate to provide supportive service and information to the maximum extent possible;
- provide information on services available in local offices, and contact information on the nearest Employment Service office, OSCC/LX partner, or affiliated offices;
- provide information on how to post résumés on-line and how to do on-line job searches;
- assistance in communicating between limited English proficient individuals referred to jobs and employers; and
- utilization of Work Opportunity Tax Credit, subsidized employment resources, and other employer incentives to promote employment and job upgrades for Migrant and Seasonal Farm Workers.

EA's progressive plan for service delivery to Migrant and Seasonal Farm Workers is consistent with Department of Labor, Employment and Training Administration program equity and minimum service delivery indicators of compliance requirements and strategies to develop an improved and integrated OSCC/LX. Service levels proposed aims to enhance opportunities through a non-discriminatory mode of service delivery that is qualitatively equivalent and quantitatively proportionate to services provided to non- Migrant and Seasonal Farm Workers. Service delivery goals proposed for PY2012 reflect a projected 2.5% increase in farm worker participation and services levels beyond goals proposed for the previous program year.

Planning estimates for PY2012 include:

Total New/Renew Applications: 4,477
Referred to Jobs: 2,054
Staff Assisted Services: 3,956
Referred to Supportive Services: 2,155
Career Guidance: 1,244
Job Development Contacts 633
Job Placements: 1,927
Placements $0.50(+) Federal Minimum Wage: 633
Non-Agricultural Placements 150(+) Days: 172
MSFW Significant Office Reviews: ..... 100.0 %
Field Checks on Agricultural
Clearance Orders: ..... 25(+) % of orders processed
Timely Processing of MSFW
Complaints: ..... 90(+) % of complaints processed
MSFW Outreach Contacts: .... 5/per 8 hours of outreach conducted

Agricultural Employer Needs and Barriers

EA has identified various components within the agricultural employer community. Some of these employer elements include: farm labor contractors, farm labor contractor employees, farmers, growers and agri-businesses. Some farm labor contractors and farm labor contractor employees follow migrant crop streams, as individuals and families, or as crew members. EA understands that some needs and barriers are common to all of these components. It is also understood that for the purpose of service delivery identification, tracking and reporting according to the federal definition, the following are considered Migrant and Seasonal Farm Workers: farm labor contractors, farm labor contractor employees, crew leaders, and supervisors.

Agricultural employer <u>needs</u> include but are not limited to the following:

- able and available workforce to meet short and long-term commitments in diverse locations, crops and living conditions;
- understanding and assistance with local, intrastate, and interstate recruitment, particularly but not exclusively the Agricultural Recruitment (Clearance) System;
- information on H-2A process to recruit a foreign labor force when the U.S. agricultural labor force is inadequate;
- understanding of the nature and legal requirements of operating a business;
- information to comply with laws/regulations and trends impacting the agricultural industry;
- understanding of acceptable employment practices for Migrant and Seasonal Farm Workers supervisors and support staff;
- assistance in identifying Farm Labor Contractors and Farm Labor Contractor Employees with certification issued by Department of Labor;
- assistance with the training of agricultural supervisory staff;
- assistance with tax incentives and wage subsidies related to employment of Migrant and Seasonal Farm Workers and other special populations; and
- labor market information.

<u>Barriers</u> that agricultural employers are confronted with include, but are not limited to the following:

- lack of time and understanding to train a supervisory personnel to oversee opera-

tions, achieve and maintain regulatory compliance, and ensure business growth;

- increased competition by intrastate and interstate farm labor contractors who follow crops accompanied by their own farm worker crews;
- competition from companies that underbid contracts due to their failure to meet all required payroll and personnel costs, e.g. failure to provide unemployment insurance, worker's compensation, vehicle insurance, and coverage of migrant and seasonal farm worker protection act, and other regulatory requirements related to agricultural business;
- lack of transportation and affordable and appropriate housing for Migrant and Seasonal Farm Workers;
- lack of understanding of State and federal programs for consultation on housing, compliance and other issues impacting Migrant and Seasonal Farm Worker living and working conditions;
- poor understanding of proper risk management and legal obligations for issues such as industrial injuries, UI taxes and benefits, etc.;
- urban sprawl, which results in business displacement problems;
- demand for trained and experienced workers exceeding supply in occupations for field workers, farm equipment operators, farm equipment mechanics, irrigators, supervisory staff, safety coordinators; and
- seasonal/transitory nature of business with multiple state rules, regulations and policies, which result in noncompliance or misunderstanding of requirements.

Wagner-Peyser Act services to be provided to agricultural employers through OSCC/LX

ES, in coordination with the network of partners in the OSCC/LX, will continue to market services to agricultural and non-agricultural employers through a seamless and integrated approach to service delivery including participation on the Local Business Services Team. Employer contacts may be on-site, via telephone, fax, regular mail and/or e-mail, and personal meetings. Identification of employers will take place through Unemployment Insurance records, local office employer records, farm labor contractor listings, past job orders, community contacts and other means identified by the Local Business Services Team.

Enhanced working relationships with advisory councils and employer groups will serve to identify potential employers and to establish an employer pool for referring Migrant and Seasonal Farm Workers. Identification of service needs will occur through ongoing need assessments and a proactive, coordinated program will deliver services to employers. Employers will be engaged to participate in developing service delivery plans and to join efforts in developing agendas for local, state, regional, and national meetings and employer seminars. Recruiting agreements, job fairs, advertisements, and new business development strategies will be utilized to promote OSCC/LX services.

Services and assistance tailored to meet agricultural employer needs will include, but may not be limited to the following:

- personalized employer services;
- current information on applicant availability and labor market information;
- suggestions and support to develop and improve workforce utilization and personnel practices;
- use of OSCC/LX sites for employer seminars and interviewing of prospective employees;
- assistance in obtaining bonding;
- assistance in writing effective job orders;
- solicitation and acceptance of job orders, as well as related job seeker referral and placement services;
- assistance with pre-occupancy housing inspections for employers requesting approval for participation in intrastate and/or interstate recruitment through the Agricultural Recruitment (Clearance) System and/or H-2A foreign labor certification where worker housing is a condition of employment;
- assistance with special and mass recruitments, including best practices to identify and locate intended farm labor pools through appropriate use of media modes and service delivery partnership networks;
- recall of Migrant and Seasonal Farm Workers by previous agricultural employers;
- assistance for farm labor contractors and farm labor contractor employees to meet compliance with labor laws and regulations;

- assistance with processing and obtaining initial and renewed farm labor contractor and/or farm labor contractor employee certifications;
- assistance with workshops tailored to agricultural employer needs;
- assistance with internet website linkages;
- assistance with informal, timely, and appropriate resolution of complaints and apparent violations; and
- assistance with information on employment and training programs, tax incentives, and subsidized employment.

EA will continue to explore solutions to be responsive to the increase in petitions for H-2A workers to replace a diminishing U.S. agricultural workforce, and/or to assist employers who establish new agricultural ventures in areas not previously identified as agriculturally active. Employment Service staff will coordinate recruitment efforts with employers in Arizona, neighboring states, and throughout the nation. Coordination with Migrant and Seasonal Farm Worker groups will be made to maintain dialogue on employment opportunities and worker availability to help increase U.S. farm worker participation. Employment Administration will continue its leadership role to ensure that U.S. domestic workers are not adversely affected.

OSCC/LX staff providing services in active agricultural areas will process approved intra/interstate clearance orders for temporary agricultural or food processing jobs. U.S. domestic farm worker crews, family groups and individuals will be recruited and referred to agricultural employers and farm labor contractors with a valid Farm Labor Contractor certification. It is anticipated that activity related to agricultural job openings received will increase by 1.9% from a PY2011 level of 6,823 to an estimated level of 6,953 for PY2012. A corresponding increase of 1.9%, from 2,425 in PY2011 to an estimated level of 2,471 projected for PY2012, is anticipated in the number of agricultural job openings filled. The percentage of openings received to those filled is expected to remain at a 35.5% constant.

It is anticipated that interstate clearance orders received by the State will increase from 58 during PY2011 to 100 during PY2012. Interstate clearance orders initiated by the State are also anticipated to increase from 50 during PY2011 to an estimated 75 during PY2012.

Employers will be encouraged to list job openings for local, intrastate and interstate recruitment of U.S. workers.

Anticipated agricultural activity during PY2012

COCHISE COUNTY
SERVICE AREAS

Bonita	Bowie	Cochise	Douglas
Elfrida	Elgin	Kansas Settlement	McNeal
San Simon	Sunizona	Sunsites	

Crop	Months of Activity	PY2012 Estimates		
		Labor Demand	No. of Employers	Labor Shortage (Y / N)
Pecans	Nov–Feb.	40	5	N
Pistachios	July	30	4	N
Peaches	June–July	15	1	N
Apple Pruning	January	30	2	N N
Apple Harvest	Sept–Dec	50	2	N
Tomatoes	Jan–Dec	700	2	N
Pumpkin	Sept–Nov	15	2	N
Chili (Green)	July–Nov	125	4	N
Chili (Red)	Nov–Dec	125	4	N
Grapes	July	50	4	N

GILA / PINAL COUNTIES
SERVICE AREAS

Arizona City	Bapchule	Casa Grande	Coolidge
Eloy	Florence	Hayden	Hidden Valley
La Palma	Marana	Maricopa	Pete's Corner
Picacho	Red Rock	Sacaton	Santa Rosa
Stanfield	Superior		

Crop	Months of Activity	PY2012 Estimates		
		Labor Demand	No. of Employers	Labor Shortage (Y / N)
Cotton	July	100	20	N
Watermelon	June - Sept	100	4	Y
Spinach	Nov - April	50	1	N
Citrus	Oct - Feb	50	2	N
Cantaloupes	June - Sept	350	15	Y
Onions (Green)	May - June	150	3	Y
Onions (Dry)	Feb - March	150	3	Y
Chili (Green)	June - Sept	300	3	Y
Chili (Red)	Oct - Dec	0	0	N
Honeydew	June - Aug	100	10	N
Pecans	April - Nov	30	3	N
Potatoes	June - Sept	90	3	Y

MARICOPA COUNTY
SERVICE AREAS

Aguila	Avondale	Buckeye	Cashion	Chandler
El Mirage	Gila Bend	Gilbert	Goodyear	Guadalupe
Harquahala	Higley	Laveen	Litchfield Park	Mesa
Phoenix	Queen Creek	S.E. Scottsdale	Tolleson	Waddell

Crop	Months of Activity	PY2012 Estimates		
		Labor Demand	No. of Employers	Labor Shortage (Y / N)
Table Greens	February	300	6	N
Onions (Green)	March	60	2	N
Onions (Dry)	May	300	2	N
Potato	April - May	160	3	N
Cantaloupe	May - July	750	2	Y
Watermelon	May - July	250	5	N
Broccoli	Nov - March	325	2	N
Chili	June	50	1	N
Spinach	January	75	2	N
Citrus	March	40	4	N
Rose Harvest	Nov - Dec	240	4	N

YUMA / LA PAZ / MOHAVE COUNTIES
SERVICE AREAS

Aztec	Dateland	Dome Valley	Ehrenberg	Gadsden
Parker	Poston	Roll	Salome	San Luis
Somerton	Tacna	Wellton	Wenden	Yuma

Crop	Months of Activity	PY2012 Estimates		
		Labor Demand	No. of Employers	Labor Shortage (Y / N)
Dates	Aug - Sept	1,800	3	N
Cotton	May - June	225	16	N
Melon (Winter)	Sept – Nov	1,000	3	N
Citrus (Pruning)	March - April	1,300	4	N
Citrus (Harvest)	Aug - March	1,300	5	Y
Broccoli	Nov - March	4,000	6	N
Lettuce	Nov - April	20,500	29	Y
Lettuce (Green Leaf)	March - May	240	6	N
Cauliflower	Nov - March	3,800	9	Y
Strawberries	Nov - March	5	1	N
Cantaloupe	May - July	2,300	7	N
Watermelon	May - July	1,000	4	N
Honeydew	May - July	1,000	4	N
Vegetables	Dec - March	1,000	10	N
Celery	Nov – March	300	3	N
Cabbage	Nov - May	200	2	N

Office Site	Service Area	Position	FTEs
State Central Office	Statewide	State Monitor Advocate	1
Casa Grande	Statewide	Foreign Labor Certification Coordinator	1
West Phoenix	Maricopa County	Outreach Specialist	1
San Luis	La Paz, Mohave, Yuma Counties	Outreach Specialist	2
Yuma	La Paz, Mohave, Yuma Counties	Outreach Specialist	2
Casa Grande	Gila & Pinal Counties	Outreach Specialist	0.5
Douglas	Cochise County	Outreach Specialist	0.5

State workforce agency plan to operate an outreach program in order to locate and to contact Migrant and Seasonal Farm Workers (MSFWs) who are not being reached by the normal intake activities conducted by the local offices and for providing services to the agricultural community, both for agricultural employers and Migrant and Seasonal Farm Workers.

Outreach to Migrant and Seasonal Farm Workers and agricultural employers will be conducted by OSCC/LX offices in every service delivery area where farm workers and agricultural employers live, work, and/or congregate. Six Migrant and Seasonal Farm Worker outreach specialists will provide statewide coverage and coordinate outreach and collaborate with Migrant and Seasonal Farm Worker-significant and non-significant offices, OSCC/LX centers, and partners in providing services to Migrant and Seasonal Farm Workers, agricultural and non-agricultural employers, and Limited English Proficient individuals.

Outreach specialists will have extensive background in farm work to ensure that they are aware and sensitive to socio-economic and cultural issues in farm worker communities. Outreach staff will be located in offices identified as significant by either their Migrant and Seasonal Farm Worker population or bilingual need. Migrant and Seasonal Farm Worker-significant offices will be designated as such when 10% or more of applicants for core services are Migrant and Seasonal Farm Worker, or are deemed significant for other reasons (e.g., substantial need for outreach activity and agricultural clearance/H-2A order activity). Offices deemed Migrant and Seasonal Farm Worker-significant will also be deemed as significant-bilingual offices unless fewer than 10% of Migrant and Seasonal Farm Workers require services in a language other than English. Individuals who are fluent in English and Spanish and who are ethnically representative of Migrant and Seasonal Farm Workers in their respective service delivery areas will staff outreach specialist positions.

The State Monitor Advocate and the Foreign Labor Certification Coordinator, as well as other administrative and supervisory level staff will support and conduct outreach efforts to promote the Migrant and Seasonal Farm Worker Outreach Program and to asses and address needs to ensure program integrity and compliance, and customer satisfaction. Staffing allocations may vary based on ongoing need assessments, availability of resources, and in response to community and stakeholder input. Additional outreach support may be provided through former/retired outreach workers and/or other individuals interested in providing services within the Migrant and Seasonal Farm Worker community.

Proposed Outreach Activities for PY2012

Employment Service outreach program will focus on locating and contacting farm workers not reached by the normal intake activities conducted by local offices. Outreach activities will be consistent with federal regulation 20 CFR Part 653.107 and will implement strategies designed to identify, document, and track Migrant and Seasonal Farm Workers as they access core, intensive, and training services within the state's OSCC/LX.

Service delivery strategies are intended to help farm workers achieve integration and self-sufficiency by providing and promoting services and support, including assessment of skill levels, abilities and aptitudes, as well as providing career guidance, vocational training, education, job search workshops, and referrals to job opportunities. Job seekers will be directed to facilities easily identified as part of the Employment Service and the Arizona Workforce Connection. Outreach policy will emphasize providing sufficient information to agricultural employers, Limited English Proficient individuals, and Migrant and Seasonal Farm Workers to enable them to exercise informed choices on accessing services through multiple physical and/or electronic entry-points.

Outreach policy will be fluid and will afford staff the flexibility, time, tools, and training necessary to participate in joint ventures to address dynamics that affect living and working conditions.

New technology will provide access and mobility needed to work with this unique population. Laptop and printer equipment will be part of the mobile tool set provided to enhance MSFW outreach specialist's efficiency and effectiveness in providing onsite service delivery to Migrant and Seasonal Farm Workers and agricultural employers. Laptops will allow MSFW outreach specialists to access electronic documents, guidelines, inspection check lists, and related material to conduct housing inspections and agricultural surveys. The mobile equipment will enable outreach staff to download program specific documents, complete, and print them as they conduct outreach and field visit inspections and/or interviews with agricultural employers and farm workers.

The new process will allow for a smoother and timelier transition from the laptop to the state computer system. Printing ability will be available by use of a mobile printer located in the MSFW outreach vehicles. Employers/farm workers will be able to sign required documents in the field. This will reduce or eliminate the need to track individuals required to sign documents. Mobile equipment will allow for a more timely, complete, and accurate documentation, including the capability of photos and/or audio-video recording of information pertinent to outreach and complaint/apparent violation related activities conducted on site. The equipment will also afford opportunities to download and print information of interest to farm workers, agricultural employers, and partner entities. This information will include, but may not be limited to: required posters; documents and Foreign Labor Certification paperwork; complaint and apparent violation forms; resource directories; referral documents; job orders; etc. It is anticipated that the new equipment will be a time saver for the staff who spend a lot of time in the field serving farm workers and employers.

EA will play a lead role in bringing together partners in the state workforce system, including Unemployment Insurance (UI) and Labor Market Information, as well as State Workforce Investment Board members, to create comprehensive strategic service delivery plans specific to the various labor markets and work environments throughout Arizona's agriculturally active areas. Emphasis will be placed on common intake, identification and proper coding, case management, documentation of services, data sharing, and reporting for Migrant and Seasonal Farm Workers.

EA's lead role will also include developing and executing memorandums of understanding that support the OSCC/LX vision in providing services to Migrant and Seasonal Farm Worker adults and youth, agricultural employers, Limited English Proficient individuals, and disadvantaged customers, through expanded outreach efforts. Additionally, there may be other non-financial inter-agency and intra-agency strategic partnership agreements with other partner agencies to provide efficient, effective, and timely services to Migrant and Seasonal Farm Worker individuals and families. These work agreements will define services to be provided by each agency, and will serve to ensure that each agency cooperatively maintains communication, shares leadership responsibility, registers and tracks participants in the Arizona Job Connection data acquisition and reporting system, and utilizes all available resources in the most effective and efficient manner

Outreach efforts will extend beyond local service delivery areas within Arizona and will cross state borders throughout Migrant Seasonal Farm Worker migratory streams. Staff will participate in clearance activities in an effort to facilitate orderly movement of Migrant and Seasonal Farm Workers from areas of labor supply to areas of labor demand. Outreach efforts will address the need to inform migrant workers of supportive services available through the service delivery network as farm workers move along migrant streams.

Outreach strategies will include, but will not be limited to:

- increasing the number of farm workers participating in all labor exchange activities;
- increasing the number of agricultural employers utilizing labor exchange services;
- promoting the use of the Agricultural (Intrastate and Interstate Clearance) Recruitment System;
- encouraging participation of farm workers wanting to transition to higher wage jobs and permanent non-agricultural employment;
- enhancing collaboration with farm worker service provider organizations; and

- integrating farm workers, and organizations providing service to them, in One Stop centers.

Outreach plans include presenting workshops, designed in collaboration with institutions of higher education, community colleges, and other training providers, to increase the number of agricultural employers utilizing the OSCC/LX. Employment Administration will continue to develop support services for farm labor contractors to enhance agricultural employer relations. Workshops will provide training to agricultural supervisors, field foremen, and FLCs to help them excel in the crucial role they play in attaining and retaining a viable workforce. Topics will include overviews of the Migrant and Seasonal Protection Act (MSPA) enforced by the Department of Labor Wage and Hour Division, as well as regulations by the Occupational Safety and Health Administration, and the Equal Employment Opportunity Commission. It is anticipated that workshops will assist agricultural employers in retaining experienced individuals to work in this industry, using their knowledge in positions of higher authority and responsibility to benefit both employers and workers. It is also anticipated that these activities will also help to minimize the high turnover, negative influences, and predatory practices often found in farm labor management. These activities strengthen the participant's ability to operate or assist small minority and agri-businesses to succeed in becoming viable, tax-paying employers with high standards of respect and understanding of the needs of their workforce. Plans for outreach also include exploring the feasibility to implement model program activities identified through collaborative and coordinated efforts at the local, state, and national levels. Strategies include promoting the use of the Agricultural Intrastate and Interstate Clearance Recruitment System, and the development of farm worker coalitions in Migrant and Seasonal Farm Worker-significant areas. Outreach activity will focus on increasing participation of Migrant and Seasonal Farm Workers wanting to transition to higher-wage jobs and permanent non-agricultural employment. Employment Administration will continue to coordinate and collaborate with the National Farmworker Jobs Program (NFJP) state grantee in all new and ongoing service strategies.

The State Monitor Advocate and the Migrant and Seasonal Farm Worker outreach program staff will continue to develop and to perform lead roles in coalitions based in farm worker significant areas so as to leverage resources and share knowledge of issues and solutions in a coordinated fashion. Collaborative efforts will continue with the Arizona Interagency Farm Workers Coalition (AIFC). The AIFC membership consists of approximately 50 partners from public, private, federal, and state enforcement and non-enforcement agencies, farm workers, agricultural employers, and advocacy groups. Members are experienced in various service delivery disciplines and represent Migrant and Seasonal Farm Worker communities throughout Arizona. Employment Administration will continue to support the coalition's objective to create a better understanding of issues impacting the farm worker community, and will collaborate in creating forums and seminars to address issues and concerns of interest within the farm worker community.

EA will continue to coordinate with the AIFC in addressing issues pertaining to:

- planning and coordinating Migrant and Seasonal Farm Worker services;
- informational meetings where farm workers and agricultural employers learn about services and resources available, as well as labor laws, rights, protections, and responsibilities;
- filing and processing of labor-related complaints and apparent violations;
- health screenings, prenatal exams, and child immunizations;
- vocational and technical education information;
- immigration and other legal assistance;
- income tax preparation;
- Social Security information;
- consumer rights, protections, and responsibilities;
- nutrition;
- child care;
- Supplemental Nutrition Assistance Program (SNAP); and
- other social service benefits.

The State Monitor Advocate and the Migrant and Seasonal Farm Worker outreach program staff will expand outreach through collaborative efforts with the Arizona Farm Labor Coordinated Enforcement Committee (AZFLCEC). The AZFLCEC is a committee comprised of state and federal labor enforcement

agencies, the state workforce agency, and other Migrant and Seasonal Farm Worker advocacy groups. The committee promotes voluntary compliance through proactive information campaigns directed to farm workers and agricultural employers.

Staff in OSCC/LX offices located within agriculturally active areas will explore the feasibility of meetings and program-related events that may include Migrant and Seasonal Farm Worker focus group meetings, Arizona Farm Labor Coordinated Enforcement Committee meetings, and Migrant and Seasonal Farm Worker and agricultural employer informational and service events.

Outreach program staff will prepare weekly local outreach plans so as to better coordinate service delivery, provide needed support, and maximize area coverage and contacts while avoiding duplication of efforts. Activities planned will include, but may not be limited to the following:

- Maintain contact with OSCC/LX partners and affiliated offices, and with non-significant Employment Service offices to share information on issues affecting the Migrant and Seasonal Farm Worker community.
- Provide assistance and technical support to increase participation of agricultural employers, limited English proficient individuals, and Migrant and Seasonal Farm Workers, and the level of services they receive through the state OSCC/LX.
- Develop and share outreach materials and tools with interested partners for continuous development of OSCC/LX integration efforts.
- Develop and distribute fact sheets outlining employment and supportive services available to the Migrant and Seasonal Farm Worker population at locations where agricultural employers, Limited English Proficient individuals, and Migrant and Seasonal Farm Workers work, live and/or congregate. Sites will include, but may not be limited to community-based organizations, faith-based organizations, government offices, stores, clinics, school settings, job fairs, etc. Promotional materials will include current and future employment opportunities as well as special recruitment.
- Distribute information guides in Spanish and English to introduce supportive services available in the community.
- Inform Limited English Proficient individuals and Migrant and Seasonal Farm Workers of employment opportunities with employers participating in local, intrastate, interstate, and H-2A recruitment.
- Coordinate public spot announcements utilized by the State Workforce Agency's Public Information Office.
- Post departmental, as well as public newspapers, periodicals and newsletters with information of interest to Migrant and Seasonal Farm Workers within OSCC/LX offices and affiliated sites.
- Participation of program staff at chamber of commerce meetings and job fairs/expos to promote the Migrant and Seasonal Farm Workers talent pool to agricultural and non-agricultural employers.
- Conduct follow-up contacts as necessary and appropriate to ensure desired outcomes.
- Maintain alertness to the working and living conditions of Migrant and Seasonal Farm Workers and, upon observation or receipt of information regarding an apparent violation of a federal, state or local employment-related law, document and refer the information to the local office manager for appropriate action.
- Maintain a daily log of outreach activities in accordance with local office instructions.
- Maintain records describing the circumstances and names of employers who refused outreach workers' access to Migrant and Seasonal Farm Workers.
- Develop and use an "Outreach Packet" including information in English and Spanish on services available in the Local Workforce Investment Areas.
- Develop cooperative non-financial agreements with public and private community service agencies and Migrant and Seasonal Farm Worker groups to coordinate outreach and contact them to obtain data on their outreach activities to Migrant and Seasonal Farm Workers.

- Coordinate with all employment and re-employment offices to keep them abreast of Migrant and Seasonal Farm Worker issues.
- Coordinate and train on worker pesticide safety as needed. and
- Conduct wage surveys, field checks, and housing inspections connected with clearance and H-2A job orders.

Outreach staff contacts will include, but may not be limited to the following:

- Information for agricultural employers, limited English proficient individuals, and Migrant and Seasonal Farm Workers regarding services available from the Employment Service office or from other partners in the OSCC/LX, including the availability of referrals to agricultural and non-agricultural jobs, training, and supportive services, as well as the availability of testing, counseling, and other job development services.
- Information for limited English proficient individuals and Migrant and Seasonal Farm Workers on types of specific job openings available.
- Information for limited English proficient individuals and Migrant and Seasonal Farm Workers regarding their rights, protections, and responsibilities with respect to the terms and conditions of employment.
- Assistance in preparing employment applications.
- If unemployed, assistance in obtaining referrals to specific employment opportunities available.
- If employed, information regarding types of employment opportunities on dates limited English proficient individuals and Migrant and Seasonal Farm Workers indicate they will be available following their current employment.
- Assistance in resolving issues related to Unemployment Benefit Claims.
- Assistance in the preparation and filing of labor-related complaints and/or apparent violation reports.
- Acceptance, resolution, and/or subsequent referral of labor complaints and/or apparent violation reports.
- Attempt informal resolution of complaints and apparent violations at the local office level prior to timely elevation of issues to the appropriate labor enforcement agency.
- Follow-up with complainants, employers, and labor enforcement agencies to seek information on status of complaints and apparent violations.
- Referral to supportive services for which the individual or family member may be eligible. and
- Assistance in making appointments for Migrant and Seasonal Farm Workers and/or their families.

Best Practices

The ES outreach program has been creative in identifying methods to conduct nontraditional outreach to farm workers and agricultural employers. Arizona has been contacted by several states within the region to share their Best Practices and processes. The following activities have assisted in educating farm workers of their rights as well as ensuring agricultural employers understand their responsibilities.

Quarterly Round Table Meetings. The EA Foreign Labor Certification Unit conducts quarterly Round Table Meetings aimed at maintaining a collaborative working relationship with the agricultural employers, labor enforcement and Employment Service staff. These are employer driven activities focusing on topics relevant to their day-to-day operations.

Annual Agricultural Seminar. The Annual Arizona/California Agricultural Employer Seminar aims to address issues of interest to Employers Farm Labor Contractors, Supervisors and Foremen that conduct business in the border and interior regions of Arizona and California. EA staff takes the lead in organizing the agricultural labor compliance workshops held at no cost to participants. These seminars are intended to help supervisory staff create and maintain a safe and healthy environment which enables employers and their workers to prosper. Representatives from agencies that enforce and provide consultations on Arizona and California labor laws present the latest information available from U.S. Department of Labor, Department of Agriculture, California Labor & Workforce Development Agency, Cal and AZ-OSHA, DES Employment Service, California Highway Patrol, WGA and workers compensation underwriters. The workshops are conducted in both English and Spanish.

Dia Del Campesino. ES staff members collaborate with other non-profit community partners to execute the annual Dia Del Campesino, Farm Workers Appreciation day, which is held every December in San Luis,

Arizona. The event brings together the farm worker community in a family setting that allows for interaction, entertainment through music, dances, and games, and also provides a forum for an interchange of information and service delivery in a time and place appropriate to maximize participation of farm workers and their families. Booths providing bilingual information on issues such as employment, labor laws affecting worker rights and protections, legislation and regulations impacting the agricultural industry, health care screenings, and information on a variety of issues impacting living and working conditions of interest to farm workers.

Affirmative Action Plan

The Department Of Labor, Employment and Training Administration identified the Yuma Employment Service office as the only Migrant and Seasonal Farm Worker-significant office in Arizona for which an Affirmative Action Plan is required. The matrix below compares the ethnic distribution of county civilian labor forces (CLF) with Employment Service staff for all Migrant and Seasonal Farm Worker-significant offices in the state. Outreach specialists in these offices will have a farm worker background, be fluent in English and Spanish, and will be ethnically representative of the service populations in their delivery areas.

COUNTY (MSFW Significant Office)		White Not Hispanic	Hispanic	Black	Native American	Asian Pacific Islander	Other	Total
MARICOPA (West Phoenix)	CLF (%)	1,213,282 (62.7)	533,805 (27.6)	78,944 (4.1)	32,646 (1.7)	3,587 (0.1)	72,763 (3.8)	1,935,027 (100.0)
	EA Staff (%)	6 (50.0)	5 41.7)	1 (8.3)	0 (0.0)	0 (0.0)	0 (0.0)	12 (100.0)
COCHISE (Douglas)	CLF (%)	33,475 (60.9)	16,031 (29.2)	2,819 (5.1)	540 (0.9)	214 (0.4)	1,896 (3.4)	54,975 (100.0)
	EA Staff (%)	0 (0.0)	3 (100.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	3 (100.0)
YUMA (Yuma)	CLF (%)	26,710 (35.4)	44,563 (59.1)	1,942 (2.5)	1,063 (1.4)	120 (0.2)	955 (1.3)	75,353 (100.0)
	EA Staff (%)	2 (15.3)	10 (76.9)	1 (7.7)	0 (0.0)	0 (0.0)	0 (0.0)	13 (100.0)
YUMA (San Luis)	CLF (%)	26,710 (35.4)	44,563 (59.1)	1,942 (2.5)	1,063 (1.4)	120 (0.2)	95 (1.3)	75,353 (100.0)
	EA Staff (%)	0 (0.0)	4 (100.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	4 (100.0)
PINAL (Casa Grande)	CLF (%)	75,782 (62.0)	33,983 (27.8)	3,682 (3.0)	5,495 (4.5)	296 (0.2)	2,921 (2.4)	122,159 (100.0)
	EA Staff (%)	4 (50.0)	2 (25.0)	2 (25.0)	0 (0.0)	0 (0.0)	0 (0.0)	8 (100.0)

CLF information source: U.S. Census Bureau, 2005-2009 American Community Survey – AZ Commerce Authority Population Statistics Unit.. Staffing levels source: EA staffing reports. Totals may not add up to 100.0 due to rounding

Monitoring to Ensure Program Compliance

The State Monitor Advocate will conduct on-site quality assurance reviews of Migrant and Seasonal Farm Worker-significant offices in order to ensure that an equitable and appropriate level of service is provided. Support will be provided to create and develop service delivery networks. Program performance and compliance reviews may also include non-Migrant and Seasonal Farm Worker-significant offices and other satellite sites. Program reviews will be conducted to ensure operations are conducive to the attainment of service delivery goals. The State Monitor Advocate will provide technical support and training, as needed, to ensure appropriate and timely corrective action is taken, and will be available as a resource to Employment Administration to ensure program integrity and compliance with federal program mandates.

Employment Service office self-assessments will include reviews of the Migrant and Seasonal Farm Worker outreach specialists' daily logs, outreach plans, local complaint system logs, and monthly (ETA 5-148) reports on services delivered to Migrant and Seasonal Farm Workers. These assessments will include reviews of program performance and compliance reports. Local office managers and district program managers will compile information from internal and external customer contacts, customer satisfaction surveys, system-generated reports, and stakeholder input to prepare reports for Employment Administration management and the State Monitor Advocate. These reports will include information on any barriers to effective service delivery and will identify factors conducive to improving service delivery.

Contingency Plan:

NFJP/WIA-167 State Grantee Not Funded

If the National Farmworker Jobs Program is not funded, EA and ES local and district offices will work closely with Migrant and Seasonal Farm Workers, advocacy groups, agricultural employers, employment and training providers, stakeholders, Local Workforce Investment Area Boards (LWIBs), and other strategic OSCC/LX partners to assess needs and resources available. Employment Administration will work to convene partners to evaluate short- and long-range strategies in planning meaningful OSCC/LX services in a manner that is timely and responsive to the employment and training needs of the Migrant and Seasonal Farm Worker community.

Contingency Plan:

Wagner-Peyser Act Repealed or Funding for Core Employment Services Consolidated into a Block Grant

The DES Strategic Plan and the Employment Administration Plan for Integrated Delivery of Agricultural Services will serve as guides in ensuring that OSCC/LX services, benefits, and protections are provided on an equitable and non-discriminatory basis for Migrant and Seasonal Farm Workers, agricultural employers, and Limited English Proficient individuals. The Employment Administration plan will ensure that service delivery is conducted in accordance with federal program mandates, Governor's policy, and agency directives on the delivery of services to this targeted population.

Review and Comment:

NFWJ Program (WIA-167) State Grantee and Other Interested Entities

Individuals and entities representing various service provider disciplines that pertain to every aspect of Migrant and Seasonal Farm Worker occupational and family life were invited to participate in the review and comment process of the State of Arizona Plan for Integrated Delivery of Agricultural Wagner-Peyser Services for PY2012. Those involved included representatives from the National Farm Workers Jobs Program, community-based organizations, labor enforcement agencies, farm worker individuals and families, Migrant and Seasonal Farm Worker advocacy groups, local and state dignitaries, USDOL-ETA/WIA program compliance members, and program volunteers. The draft was also shared at the Arizona Interagency Farm Workers Coalition (AIFC), Inc with approximately one hundred twenty community partners who provide services to Farm Workers. Input provided was incorporated into this plan, as appropriate. A final copy of the approved plan will be shared with all interested partners. The Arizona State Monitor Advocate was afforded an opportunity to review, approve and comment on the State Plan, policies and procedures related to service delivery to Migrant and Seasonal Farm Workers, agricultural employers, and limited-English proficient individuals.

A 45-day review and comment period was provided to afford interested entities an opportunity to provide comments, suggestions and recommendations for consideration in the development of this State Plan. Input provided was incorporated into this plan, as appropriate. A final copy of the approved plan will be shared with all interested partners.

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Employment Administration Regional Program Managers
Employment Administration MSFW-Significant Local Office Managers
Employment Administration Non-MSFW-Significant Local Office Managers
Employment Administration MSFW Program Outreach Specialists
Employment Administration Foreign Labor Certification Coordinator
Arizona State Monitor Advocate

E. Services to Employers

In Governor Brewer's January 2012 policy agenda, THE FOUR CORNERSTONES OF REFORM, "economic competitiveness" is cited as the first cornerstone. It details the need for a ready workforce that connects unemployed and underemployed people to paychecks. Assisting Arizona employers in their search for workers that meet employers' needs and expectations is a critical part of the State's effort to enhance Arizona's business environment.

The State provides a wide variety of support to businesses. Assistance is primarily offered by three agencies:

- The **Arizona Commerce Authority (ACA)** provides business development and community development. Through leadership and collaborative partnerships, the ACA's mission is to create vibrant communities and a globally competitive Arizona economy.
- The **Department of Economic Security (DES)** promotes safety, well-being and self-sufficiency for children, adults and families.
- The **Arizona Department of Education (ADE)** strives for academic excellence for all students.

In addition to the three entities listed above, the State has three partners that help comprise its workforce development system and offer resources to business customers:

- **Job Corps** recruits eligible young people, teaches them the skills they need to become employable and independent, and places them in meaningful jobs or further education.
- **Local Workforce Investment Areas** provide assistance to business customers and job seeker customers statewide through One Stop Service Centers.
- **Tribal Nations Investment Areas** assist members of Tribal nations through the tribal One Stop Service Centers.

The local One Stop Career Centers offer a multitude of services for businesses in one location. Arizona is proud of the collaboration among the ACA, Employment Service and the local One Stop Service Centers in meeting the needs of the state's business customers. The partners collaborate to create a package of services needed by a business and provide highly trained specialists to address job postings and recruitment and help businesses with interviewing space, monitor job orders, screen and refer qualified individuals for job openings, and offer seminars on topics of interest to employers.

In the past, employers have expressed frustration and confusion over the access points for various assistance regarding tax credits, business incentives, worker training programs, recruitment, screening, assessment, and job matching. In response, Arizona will functionally align business services through the creation or enhancement of Local Business Service Teams that support an integrated approach to helping Arizona employers.

Local Business Service Teams will be co-managed by a State Wagner-Peyser staff person and local Workforce Investment Act (WIA) staff person. Each Local Team must provide a plan on how it will move toward a single point of contact for a business customer and provide a tiered approach to recruitment, screening, assessment and referral that meets the needs and expectations of business customers.

Local Business Service Teams will receive training and technical assistance to help with the transition to a more integrated approach to assisting businesses grow and prosper. Training will include skill development in the areas of sales techniques, conflict resolution, service mapping, and customer service. Team members will spend time understanding the services provided by each partner agency and the details associated with target populations, eligibility, activities, cost factors and service access. Local workforce plans will address how coordination will occur between each partner and their subject matter experts.

Through the Local Business Service Teams' single point-of-contact approach, business customers will be able to work with one representative as their primary resource to facilitate securing from other State agencies the subject matter expertise that an employer needs. This will help lead employers through the maze of available resources.

Local Business Service Teams will also help employers recruit from targeted groups that are trained but underutilized:

- persons with disabilities;
- ex-offenders;
- Federal Bonding Program candidates;
- mature workers;
- veterans; and
- youth.

Arizona's commitment to helping business customers includes specific services, such as:

- job postings;
- recruitment services;
- Rapid Employment Initiative;
- layoff aversion assistance;
- training programs;
- tax credit programs;
- employment laws awareness;
- Unemployment Insurance; and
- research and information.

Job Postings

An employer may contact any Employment Service Office to obtain assistance from a trained Employment Specialist in posting their job orders. They also have 24/7 access to the State's labor exchange system, Arizona Job Connection, to post their own listings (www.AZJobConnection.gov).

AJC gives employers the option to select the type of job posting disclosure level that satisfies their recruitment for job applicants. The customer service focus method offers public, public-limited and private disclosure options. An employer may elect to work closely with an Employment Specialist on public-limited job postings, to ensure that pre-screening of a job seeker's qualifications are matched against the job listing requirements, resulting in an appropriate referral. Private job postings may be managed through an executive account approach, handled by a Senior Employment Specialist assuming responsibility for each business account enlisted.

Recruitment Services

The ES and One Stop Employment Specialists are available to provide specialized recruitment events to meet individual employers' hiring needs. They also provide assistance with securing interview rooms, monitoring job orders and screening, and referring qualified individuals for job openings.

Customized recruitment services for employers can, at their request, be organized and coordinated through an Employment Specialist. Scheduling pre-screened, qualified job applicants for employment interviews can streamline the recruitment process, saving time and money in hiring successful employees. This specialized employer service enhances the working relationship between the employers and Employment Specialist.

ACA, ES Business Service Staff and One Stop Business Service Staff work together to assemble qualified labor pools that meet an employer's needs and otherwise ensure that all employer needs are met in a seamless manner.

Rapid Employment Initiative

Employees who are dislocated due to downsizing are often displaced through no fault of their own. They have transferrable skills that offer value to comparable employers and to employers in other industries.

DES administers a program specifically designed to connect downsizing employers with businesses that are hiring. This program provides:

- an employer outplacement exchange,
- a career event database, and
- a résumé builder with integrated job search tools.

Layoff Aversion Assistance

As part of the required Rapid Response strategies, Local Workforce Investment Areas provide services to help employers and employees through the difficult layoff process. A trained team of staff provide on-site or in-office informational meetings to educate laid-off employees of services available to them.

Training Programs

The State provides employee training services to businesses that cannot justify maintaining an internal training program.

Training programs upon which employers can rely include the Incumbent Job Training Grant Program and

the Apprenticeship Program. Both programs provide unique training opportunities to help turn new hires into productive workers.

An example of an industry-specific training program is AzIT, which provides employee training for companies in information technology.

Other training opportunities are specific to a particular area of the state. For example, Innovation Frontier Arizona aligns education, workforce development and economic development with the needs of southern Arizona industries.

There are also a number of certified training professionals listed on the AZJobConnection.gov website.

In addition, One Stop Service Centers offer training assistance through on-the-job training, customized training, work experience, and incumbent worker training opportunities.

Tax Credit Programs

The federal Work Opportunity Tax Credit (WOTC) program offers employers a federal tax credit of up to $9,000 as an incentive to hire job seekers who have traditionally faced significant barriers to employment.

The WOTC and other tax credits and education and job training programs help workers overcome barriers to employment for good jobs, ease their transition from job to job, benefit from the creation of effective regional economic development strategies, and contribute to high-performance workplaces.

Research and Information

Employers and job seekers wishing to perform on-line research on workforce-related statistics are encouraged to visit the Department of Administration's Office of Employment and Population Statistics (www.workforce.az.gov).

F. WIA Waiver Requests

The State of Arizona is including detail on requests for the following waivers:

1. Adult – Dislocated Worker Funds Transfer
2. Competitive Procurement for Youth Program Elements
3. Customized Training – Employer Contribution
4. Eligible Program Performance and Cost for ETP
5. Rapid Response – Incumbent Worker Layoff Aversion Waiver Request
6. Sanctions for Consortium of Local Areas (REPAC)
7. Uniform Performance Measures for Consortium of Local Areas (REPAC)
8. Within State Allocations – Dislocated Workers (REPAC)

1. Workforce Investment Act Waiver Request

Date:	September 17, 2012
Waiver Request:	**Adult-Dislocated Worker Funds Transfer**
Entity:	Arizona Department of Economic Security 1789 W. Jefferson Phoenix, AZ 85007 Phone: (602) 542-1784 Fax: (602) 542-2491
Governor:	Janice K. Brewer
Duration:	July 1, 2012, to June 30, 2017

Statutory and/or regulatory requirements to be waived:

- Public Law 105-220, Section 133(b)(4)

Actions undertaken to remove state or local barriers

The Governor of Arizona and the Arizona Department of Economic Security (DES), as the state grant administrator for WIA Title I-B funds, are requesting a waiver to those relevant sections of the Workforce Investment Act (WIA) to increase the transfer authority to 50% between the Adult Employment and Training and Dislocated Workers programs. Local decisions have been constrained at times by federal funding rules that obliged limiting funding and thus, services to adults or dislocated workers.

Training demands continue to increase as skill gaps are identified for the adult population. With this waiver, the State of Arizona provides Local Workforce Investment Area Boards (LWIBs) with greater flexibility in the administration of their finances in these times of limited funds and fiscal challenges. This flexibility provides local workforce areas the ability to meet employer needs and client demands, particularly to support training obligations for the adult population therefore improving service delivery and performance outcomes.

Goals and expected programmatic outcomes of waiver

The Workforce Arizona Council for the State of Arizona will continue to advocate for local alliances that strengthen the level and mix of services to job seekers, as well as streamlining service delivery. The waiver would allow flexibility in the transfer of funds to ensure that services to both adults and dislocated workers shall be maintained at levels sufficient to meet the distinct needs of each group.

The flexibility of transferring 50% of funds between the adult and dislocated workers programs allows LWIBs to respond more effectively to their individual communities. With the waiver, the LWIBs shall be:

- obliged to design programs that speak to the service priorities of their customers, and that lead to customer employment and self-sufficiency;
- able to establish a skilled, and competitive workforce; and
- able to continue to ensure a more effective delivery of WIA programs and services.

Individuals impacted by the waiver

- Adult and Dislocated Workers

Process for monitoring progress in implementation

The State of Arizona continually assesses the effectiveness of the WIA Title I-B programs. Policies and guidelines will be monitored by programmatic and fiscal monitors. Monitoring annually will ensure that appropriate funding levels and activities meet the needs of the adults and dislocated workers.

Notice to affected Local Workforce Investment Area Boards

The waiver request was posted on the State's official websites.

Public comment

The State Plan which included this proposed waiver request was posted on the State's official website for a 30-day solicitation of public comment period. There were no comments or concerns received regarding the proposed waiver.

2. Workforce Investment Act Waiver Request

Date: September 17, 2012

Waiver Request: **Competitive Procurement for Youth Program Elements**

Entity: Arizona Department of Economic Security
1789 W. Jefferson
Phoenix, AZ 85007
Phone: (602) 542-1784
Fax: (602) 542-2491

Governor: Janice K. Brewer

Duration: July 1, 2012, to June 30, 2017

Statutory and/or regulatory requirements to be waived:

- Public Law 105-220, Section 112(b)(18)(B); 117(d)(2)(B); 117(e); 117(h)(4)(B)(i) and (ii); 123; 129(c)(2)
- 20 CFR Part §664.610; 29 CFR Part §95.40-48 and §97.36
- Circulars published by the U.S. Office of Management and Budget
- US USDOL ETA Training and Employment Guidance Letter (TEGL) 9-00 dated January 23, 2001

Actions undertaken to remove state or local barriers

The Governor of Arizona and the Arizona Department of Economic Security (DES) as the state grant administrator for WIA Title I-B funds are requesting a continuation of an existing waiver of those relevant sections of the Workforce Investment Act (WIA) requiring competitive procurement of youth service providers by Local Workforce Investment Area Boards (LWIBs).

Arizona is currently operating under a waiver that permits the State to allow its One Stop Career Centers and partner agencies to directly provide the following youth program elements: supportive services, paid and unpaid work experience, and follow-up services. In utilizing this waiver, the State and Local Workforce Investment Areas must still meet Office of Management and Budget requirements (codified in 29 CFR 95.40-95.48 and 97.36) and all state and local procurement laws and policies

The State of Arizona has not identified any state or local statutory barriers to implementing the requested waiver. Present regulations and policy statements comply with current federal law.

Goals and expected programmatic outcomes of waiver

The expected programmatic outcomes of the youth procurement waiver are to:

- Maximize quality-training opportunities for workforce system customers.
- Identify eligible providers of youth activities by awarding contracts on a competitive basis, based on recommendation of the youth council, on the criteria contained in the state plan to providers to carry out the activities, and shall conduct over site with respect to the providers in the LWIA.
- Increase the number of providers that can deliver activities to participants.

Individuals impacted by the waiver

- Youth meeting WIA Youth Program eligibility requirements
- School, public, and community-based organizations that serve youth who meet program eligibility requirements

Process for monitoring progress in implementation

Monitoring will be conducted by fiscal and programmatic monitors to ensure compliance with the intent of this waiver and the use of the WIA Title I-B funds by the LWIAs.

Notice to affected Local Workforce Investment Area Boards

The waiver request was posted on the State's official websites.

Public comment

The State Plan which included this proposed waiver request was posted on the State's official website for a 30-day solicitation of public comment period. There were no comments or concerns received regarding the proposed waiver.

3. Workforce Investment Act Waiver Request

Date:	September 17, 2012
Waiver Request:	**Customized Training – Employer Contribution**
Entity:	Arizona Department of Economic Security 1789 W. Jefferson Phoenix, AZ 85007 Phone: (602) 542-1784 Fax: (602) 542-2491
Governor:	Janice K. Brewer
Duration:	July 1, 2012, to June 30, 2017

Statutory and/or regulatory requirements to be waived:

- Public Law 105-220, Section 101(8)(C)
- 20 CFR §663.715(c)

Actions undertaken to remove state or local barriers

The Governor of Arizona and the Arizona Department of Economic Security (DES) as the state grant administrator for WIA Title I-B funds are requesting a waiver to those relevant sections of the Workforce Investment Act (WIA) to allow a waiver to change the required 50% employer match based on a sliding scale.

The following schedule of costs to businesses will be instituted based on the number of employees in their business applicant's workforce.

- A business with more than 250 employees must pay 50% of the training cost.
- A business with 51-250 employees must pay no less than 25% of the training cost.
- A business with 50 or fewer employees must pay no less than 10% of the training cost.

Through this approach, this waiver will allow the State of Arizona to waive the requirements for employers to match 50% of their portion of the cost of customized training and allow for the implementation of such training based on a sliding scale.

Goals and expected programmatic outcomes of waiver http://data.bls.gov/pdq/querytool.jsp?survey=en

With resource challenges, businesses have found it more difficult meet their training needs and promote a skilled workforce. The ability to have this waiver will serve as an incentive to businesses to participate in providing customized training to adults and dislocated workers and will assist their business to grow and ensure they have a skilled workforce. With the goal of creating a labor pool comprised of individuals possessing the marketable skills they require, employers will benefit by having increased flexibility to meet business and industry specific needs. The proposed sliding scale for the employer match will allow for a more appropriate match rate which represents a particular business or industry's cost benefit ratio. The implementation of a sliding scale will promote the increase of employers using customized training programs.

Individuals impacted by the waiver

- Adults and Dislocated Workers

Process for monitoring progress in implementation

Monitoring will be conducted by programmatic monitors to ensure compliance with the intent of this waiver and the use of the WIA Title I-B funds by the LWIAs.

Notice to affected Local Workforce Investment Area Boards

The waiver request was posted on the State's official websites.

Public comment

The State Plan which included this proposed waiver request was posted on the State's official website for a 30-day solicitation of public comment period. There were no comments or concerns received regarding the proposed waiver.

4. Workforce Investment Act Waiver Request

Date:	September 17, 2012
Waiver Request:	**Initial Eligibility, Program Performance and Cost Waiver for Eligible Training Providers**
Entity:	Arizona Department of Economic Security 1789 W. Jefferson Phoenix, AZ 85007 Phone: (602) 542-1784 Fax: (602) 542-2491
Governor:	Janice K. Brewer
Duration:	July 1, 2012, to June 30, 2017

Statutory and/or regulatory requirements to be waived:

- Public Law 105-220, Section 122(d)(i); 136(d)(2)(A-C); 136(h)
- Federal Register 20 CFR § 665.200; §663.500; §663.515(c)(3)(ii-iii); §663.530; §663.535(c)(1,2)(d); §663.540; and §663.540(a)(1)(2)

Actions undertaken to remove state or local barriers

The Governor of Arizona and the Arizona Department of Economic Security (DES) as the state grant administrator for WIA Title I-B funds are requesting a waiver to those relevant sections of the Workforce Investment Act (WIA) of the requirement for training provider's programs determined to be subsequently eligible, from reporting performance outcomes on an annual basis. This waiver request does not pertain to the requirement to report cost information for WIA participants enrolled in eligible provider programs.

Goals and expected programmatic outcomes of waiver

The State of Arizona recently implemented a new case management and reporting system. This waiver will afford the opportunity for providers to learn the new system and put into place processes that are consistent with collecting and reporting required information as it relates to performance outcomes.

Implementation of this waiver will allow the State of Arizona to develop policies and procedures that will eventually allow for the submittal of annual performance outcomes.

Providers will be responsible for developing programs that results in employment opportunities based on proven performance measures. This waiver will allow WIA participants, training providers, and employers to continue engaging in approved programs leading to gainful employment and self-sufficiency.

Individuals impacted by the waiver

- Youth, Adults and Dislocated Workers

Process for monitoring progress in implementation

The ETP State Administrator will work with Local Area Workforce Investment Boards (LWIBs) to establish policies and procedures for determining provider's program eligibility, and the degree to which information, including performance information, on those providers is made available to customers eligible for training services.

The ETP State Administrator will continue to monitor providers and solicit feedback from WIA participants to acquire firsthand knowledge that approved programs maintain the set standards. This will result in providers becoming more proficient in collecting and reporting the necessary performance outcomes for their approved programs.

It will be the responsibility of each Local Workforce Investment Area (LWIA) Eligible Training Provider (ETP) Approver to work with providers to ensure an understanding of how to gather and report performance outcomes based on established policies and procedures, prior to reviewing subsequent programs for renewal. Thereafter, each LWIA will be responsible for monitoring provider's progress in implementing processes and procedures for ongoing accountability, and consistency related to reported performance outcomes.

Notice to affected Local Workforce Investment Area Boards

The waiver request was posted on the State's official websites.

Public comment

The State Plan which included this proposed waiver request was posted on the State's official website for a 30-day solicitation of public comment period. There were no comments or concerns received regarding the proposed waiver.

5. Workforce Investment Act Waiver Request

Date:	September 17, 2012
Waiver Request:	**Use of Rapid Response Funds for Incumbent Worker Training for Layoff Aversion**
Entity:	Arizona Department of Economic Security 1789 W. Jefferson Phoenix, AZ 85007 Phone: (602) 542-1784 Fax: (602) 542-2491
Governor:	Janice K. Brewer
Duration:	July 1, 2012, to June 30, 2017

Statutory and/or regulatory requirements to be waived:

- Public Law 105-220, Section 134(a)(1)(A)

Actions undertaken to remove state or local barriers

The Governor of Arizona and the Arizona Department of Economic Security (DES) as the state grant administrator for WIA Title I-B funds are requesting a waiver of WIA Section 134(a)(1)(A) for permission to use up to 20% of Rapid Response funds for Incumbent Worker Training as part of layoff aversion only.

This waiver will allow for a broader range of services to be provided to dislocated workers for layoff aversion strategies and greater flexibility in the use of Rapid Response funds for local workforce areas to strategize with employers in our challenging economy as well as incorporate layoff aversion activities into the comprehensive sector strategy approach to economic and workforce development.

Goals and expected programmatic outcomes of waiver

Given the increasing competitiveness, it is imperative that businesses remain strong and productive through a skilled and educated workforce. This waiver can assist in ensuring that workers enhance advancement within their industries. Skilled and productive workers allow businesses to grow and create new jobs as product lines and customer bases expand.

This waiver will assist incumbent workers in the development of new or modify existing skills in order to adjust to the current economy. The State of Arizona believes its partners and Local Workforce Investment Area Boards (LWIBs) are ready to embrace incumbent worker training as an activity integrated into our industry sector/layoff aversion strategies. Incumbent worker training will enhance an employer's ability to retain a known worker, save costs associated with having unfilled, vacant job openings; recruitment and orienting a new employee and intangible costs such as avoiding lower overall company morale for remaining workers when their co-workers are laid off.

Arizona will develop criteria for identifying at-risk employers and the use of rapid response funds to ensure innovative training and service delivery approaches that enhance services to dislocated workers are delivered. These state-level policies and criteria will help guide local workforce areas in designing programs that will effectively identify firms that are at risk for layoffs.

Individuals impacted by the waiver

- Dislocated Workers

Process for monitoring progress in implementation

The State of Arizona will continue to monitor progress on this waiver by reviewing monthly expenditure and performance reports submitted. Rapid Response Round Tables will be considered to discuss and measure the success of such trainings.

Notice to affected Local Workforce Investment Area Boards

The waiver request was posted on the State's official websites.

Public comment

The State Plan which included this proposed waiver request was posted on the State's official website for a 30-day solicitation of public comment period. There were no comments or concerns received regarding the proposed waiver.

6. Workforce Investment Act Waiver Request

Date:	September 17, 2012
Waiver Request:	**Sanctions for Consortium of Local Areas (REPAC)**
Entity:	Arizona Department of Economic Security 1789 W. Jefferson Phoenix, AZ 85007 Phone: (602) 542-1784 Fax: (602) 542-2491
Governor:	Janice K. Brewer
Duration:	July 1, 2012, to June 30, 2017

Statutory and/or regulatory requirements to be waived:

- Public Law 105-220, Section §136 (h)

Actions undertaken to remove state or local barriers

The Governor of Arizona and the Arizona Department of Economic Security (DES) as the state grant administrator for WIA Title I-B funds are requesting a waiver to those relevant sections of the Workforce Investment Act (WIA) to allow Gila County Re-Employment Pre-layoff Assistance Center (REPAC) to serve as the Dislocated Workers program operator, including rapid response activities, and bear all responsibility in the event of failure to meet performance levels, based on the dislocated workers core indicators on behalf of the following Local Workforce Investment Areas (LWIAs): Gila/ Pinal and Nineteen Tribal Nations.

Goals and expected programmatic outcomes of waiver

The benefits of allowing the two LWIAs to operate as a consortium for dislocated workers activities include will allow for consistent and standardized monitoring of performance outcomes in these Local Workforce Investment Areas while operating the Dislocated Workers programs for the Gila/Pinal and the Nineteen Tribal National LWIAs.

Individuals impacted by the waiver

- Dislocated Workers

Process for monitoring progress in implementation

The Gila County REPAC is the administrative entity for the LWIA consortium. The Department of Economic Security (DES) will monitor dislocated workers performance through annual monitoring and performance reports. DES shall provide technical assistance for failed performance and take corrective actions as identified for failure in performance for a second consecutive year.

Notice to affected Local Workforce Investment Area Boards

The waiver request was posted on the State's official websites.

Public comment

The State Plan which included this proposed waiver request was posted on the State's official website for a 30-day solicitation of public comment period. There were no comments or concerns received regarding the proposed waiver.

7. Workforce Investment Act Waiver Request

Date:	September 17, 2012
Waiver Request:	**Local Performance Measures for Consortium of Local Areas (REPAC)**
Entity:	Arizona Department of Economic Security 1789 W. Jefferson Phoenix, AZ 85007 Phone: (602) 542-1784 Fax: (602) 542-2491
Governor:	Janice K. Brewer
Duration:	July 1, 2012, to June 30, 2017

Statutory and/or regulatory requirements to be waived:

- Public Law 105-220, Section 136(c)
- 20 CFR Part 652 et al., §666.300, §666.310

Actions undertaken to remove state or local barriers

The Governor of Arizona and the Arizona Department of Economic Security (DES) as the state grant administrator for WIA Title I-B funds are requesting a waiver to those relevant sections of the Workforce Investment Act (WIA) to allow the Gila County Re-Employment and Pre-layoff Assistance Center (REPAC) to serve as the Dislocated Workers program operator for the following Local Workforce Investment Areas (LWIAs): Gila/Pinal and the Nineteen Tribal Nations.

The two LWIAs shall operate as a consortium allowing funds allocated to their respective Local Workforce Investment Areas to be pooled by Gila County REPAC for the purposes of delivering dislocated workers and rapid response services. In addition, Gila County REPAC shall be delegated the authority to negotiate and report Dislocated Workers program performance levels on behalf of the consortium.

Goals and expected programmatic outcomes of waiver

The benefits of allowing the two LWIAs to operate as a consortium for dislocated workers activities include:

- providing staff for each LWIA;
- leveraging resources and using them where the need arises; allowing services to be delivered in Local Workforce Investment Areas with insufficient formula funds; and
- increasing service levels so that performance standards and measures do not dramatically change while operating the dislocated workers program.

DES staff will work directly with Gila County REPAC in regards to funds allocation and performance level negotiations.

Individuals impacted by the waiver

- Dislocated Workers

Process for monitoring progress in implementation

The Gila County REPAC is the administrative entity for the Gila/Pinal and Nineteen Tribal Nation Dislocated Worker consortium. The consortium is formed with the limited purpose of administering dislocated worker formula funds for the two LWIAs through a single, mutually agreed entity. The LWIAs will each administer their own adult and youth funded programs. DES shall continue to monitor the performance of the Gila County REPAC consortium.

Notice to affected Local Workforce Investment Area Boards

The waiver request was posted on the State's official websites.

Public comment

The State Plan which included this proposed waiver request was posted on the State's official website for a 30-day solicitation of public comment period. There were no comments or concerns received regarding the proposed waiver.

G. Trade Adjustment Assistance

The Arizona Trade Adjustment Assistance (TAA) program will provide seamless services to participants through a coordinated and functionally aligned effort between the Workforce Investment Act (WIA) and Wagner-Peyser (WP).

Rapid Response Coordinators notify the TAA program when they receive information about an upcoming layoff, if it appears the layoff is due to foreign competition and, therefore, potentially trade eligible. In many cases, a TAA representative is involved in the initial meetings with the employers to provide program information and to promote the benefits of Rapid Response Activities and the TAA program and to offer assistance for submission of a TAA petition to the U.S. Department of Labor (USDOL).

Also, when the TAA program is approached by an employer that will be downsizing or closing a facility, the appropriate Rapid Response Coordinator is notified, and coordination of Rapid Response services is arranged.

Rapid Response Teams provide early intervention to worker groups on whose behalf a TAA petition has been filed.

Each Local Workforce Investment Area has a Rapid Response Team consisting of staff from Trade Adjustment Assistance, Workforce Investment Act and Wagner-Peyser. Whenever possible, the team conducts on-site presentations at the business location. Every effort is made to provide information sessions prior to the commencement of the layoffs or plant closure. The presentation consists of an overview of the benefits and services that can be expected from each of the partner groups. During these sessions the emphasis is how the three-partner agency staff will be working together as a team to offer the customer individualized comprehensive re-employment benefits and services.

Whenever possible after a layoff occurs, orientation and intake sessions for the TAA and WIA programs are co-led and combined so the customer is co-enrolled and observes firsthand the service integration and functional alignment between the two programs.

Rapid Response Teams provide core and intensive services to TAA participants, as indicated in the guidance and encouragement of co-enrollment polices.

All TAA customers are required to be referred to WIA for co-enrollment. TAA Counselors emphasize the benefits of co-enrollment to allow the maximum benefit from all available resources. All customers have Individual Employment Plans that are shared and agreed upon between the TAA Counselors and WIA Case Managers. Leveraging of resources is utilized by having WIA take the lead in conducting assessments (basic education levels, aptitudes, interests, etc.) from which the results guide the TAA and WIA partners in developing customers' re-employment plans. These plans identify any possible barriers to employment and how those barriers will be addressed. Both WIA and WP staff conduct re-employment workshops for customers needing additional assistance in job search resources, résumé writing, interviewing skills, etc. All TAA customers have access to any resources provided by WP and all customers co-enrolled with WIA are able to partake in any workshops provided by WIA staff. Because WP staff have on-going direct connection to local and statewide employers and job openings, customers may be assigned to a staff person for assistance with intensive job search activities.

Case Management is shared between TAA Counselors and WIA Case Managers. Because TAA and WIA have a shared computer system, case notes are accessible by either program, allowing staff to determine if monthly contact has been made. If contact has been made and the documentation shows ongoing progress toward goals with no issues, the contact will satisfy both program's requirements. Ongoing communication is stressed between both TAA and WIA staff. Periodic combined staff meetings reinforce the open communication. "Staffings" between a customer and both program representatives occur as needed to address customer needs or issues while working toward an integrated approach to address such needs and issues.

When it is determined that a customer needs retraining to be more competitive in the job market, TAA takes the lead in developing the training plans. The training plans are developed and justified based on WIA test assessments, labor market information provided through TAA staff, and assessment of the

customer's background regarding employment history, education, etc.

While TAA will be the primary funding source for an individual's training, WIA may offer assistance with supportive services (bus vouchers, counseling, utility and rental assistance, extra school supplies, medical exams, etc.) as needed for a customer to be able to succeed in the chosen training program. Co-funding of training also may occur if it is necessary to meet a customer's needs. Once a customer enters approved training, there is coordination with Unemployment Insurance (UI) for an individual's ongoing income support.

Rapid Response Teams develop and manage resources to integrate data provided by various agencies administering benefits and services, in order to ensure consistent program administration and fiscal integrity, as well as reliable fiscal and performance reporting.

TAA, Trade Readjustment Allowances (TRA), Re-Employment Trade Adjustment Assistance (RTAA), WIA, and WP/Employment Service utilize the Arizona Job Connection (AJC) labor exchange system to collect universal information (customer demographics, veteran Information, migrant worker information, employment status, disability, older worker, low income, public assistance, needs and barriers, etc.) for each customer. This system also tracks the various program enrollments.

AJC is a case management-based system that captures information to assist in determining eligibility for various government and community-based programs. It also tracks customer participation under the various programs in which one may be enrolled, and program exit outcomes.

For TAA Services that require expenditures (TAA Training, TAA Travel, TRA, ATAA, RTAA), the projected total expenditures are reviewed by management. Once approved, the projected budget allotment is entered into AJC. As payments are paid against a budget, AJC tracks the remaining balances available for that particular service. The AJC ensures that payments cannot be processed if a budget does not support such a payment or if the entered budget has not been reviewed or approved by Management.

The services entered into AJC must have an actual start date and estimated end date, so that, for services that have associated expiration dates (TAA Training, TAA Travel, TRA, ATAA, RTAA), payments are not processed beyond the service expiration.

All TAA Staff have access to the UI computer system. UI weekly benefit amounts are verified, along with total UI received by a TAA participant when determining eligibility for TAA-related payments for which a participant may be eligible.

Several staff working at the management and payment processing levels have UI backgrounds, which enhances compliance with State UI laws as they relate to the TAA program and either income support payments or wage subsidy payments.

H. Senior Community Service Employment Program (SCSEP)

In order to receive funds for the Senior Community Service Employment Program (SCSEP), each state is required to develop a four-year State Plan that includes strategies for statewide provision of SCSEP services. The development of the Arizona State Plan for SCSEP is the responsibility of the Arizona Department of Economic Security, Division of Aging and Adult Services (DES/DAAS). The plan covers the federal program year periods beginning July 1, 2012 through June 30, 2016. This plan is being submitted as part of the Arizona State Integrated Workforce Plan. This integrated plan will allow for the fostering of a strengthened strategic alignment of workforce while facilitating cross-program planning within the larger context of Arizona Workforce Connection - the Arizona's One Stop workforce system.

In accordance with the reauthorization of the Older Americans Act Amendments in 2006 (Public Law 109-365), SCSEP focuses on placing qualified individuals into appropriate community service training assignments and ultimately into unsubsidized employment. The State Plan describes the planning and implementation process for mature worker programs in Arizona. The plan also encourages coordination among the Arizona SCSEP state grantee, state subgrantees, and national grantees in achieving the SCSEP goals and other global mature worker initiatives.

By the year 2020, one in four Arizonans will be over the age of 60. Aging 2020 was the initial step towards ensuring that Arizona communities are good places for people of all ages to live with independence, purpose, and dignity. The Arizona State Plan on Aging 2011-2014 is a federally required plan that sets the future direction for DES/DAAS, prioritizes DES/DAAS functions, focuses DES/DAAS resources, and furthers collaborative efforts. In doing so, the plan is a blueprint to better serve Arizona's aging population. In an effort to ensure Arizona is ready for such a demographic shift, Executive Order 2004-07 was issued. Called Aging 2020, it required fourteen state agencies to develop and implement plans to address the aging of Arizona's population. The Aging 2020 initiative is designed to be a strategic planning process, whereby the plan is integrated into broader agency efforts and updated on a continual basis. Integration with the Governor's Advisory Council on Aging/Mature Workforce Committee initiatives will benefit overall service delivery and achievement of program goals. In addition, the geographic areas of the SCSEP closely align with the local workforce investment regional areas.

Some of the underlying barriers facing SCSEP are:

- High unemployment among mature workers. Arizona has been identified an Area of Substantial Unemployment (above 6.5%) with six of its 15 counties meeting the criteria of the 2009-2011 Persistent Unemployment Thresholds.
- Aligning host agencies in rural areas to match with employment goals of participants.
- Reduced funding during the past two consecutive program years.

As described later in the plan, the Arizona SCSEP is an integral part of coordinated activities with the other titles of the Older American Act and WIA. The following goal and objectives will be accomplished during the tenure of the Arizona Integrated Workforce Plan in order to address the barriers listed above.

As this is the first time that SCSEP will be incorporated into the State Workforce Plan as an integrated partner, this goal will also be the basis for Plan-related SCSEP activities and related strategies:

Goal: Strengthen Arizona's economy by capitalizing on an integrated and well-trained informal, paraprofessional and professional workforce.

Objective 5.1: Provide support for families in their efforts to care for their loved ones at home and in the community.

Action: Implement a system to provide information and technical assistance to employers on how to access resources to address issues such as lost productivity due to care-giving-related obligations.

Action to be completed by June 30, 2014.

Objective 5.2: Promote a stable and competent workforce sufficient to meet the growing care needs in Arizona.

Action: Connect employers with care giving and elder care resources in continuing efforts to educate the employer community regarding the need for such benefits for an aging workforce.

Action to be completed by December 30, 2014.

Action: Promote the viability of a career as a direct care professional and other health services related occupations to SCSEP participants.

Action to be completed by September 30, 2013

Objective 5.3: Promote a coordinated workforce development approach between public and private entities to benefit from the capabilities and experiences of a mature workforce.

Action: Facilitate the coordination of the Governor's Advisory Council on Aging/Mature Workforce Committee and Local Workforce Investment Areas to assist with the development of public awareness efforts on promoting the utilization of mature workers.

Action to be completed by June 30, 2013

Action: Cultivate and/or strengthen partnerships and collaborations among SCSEP grantees and WIA service providers to ensure a seamless system of service delivery.

Action to be completed by January 1, 2015

Action: Establish a varied network of host agencies to provide training that aligns with SCSEP participant employment goals.

Action to be completed by June 30, 2014

Objective 5.4: Support older Arizonans' efforts to remain engaged in the workforce and civic engagement activities.

Action: Strengthen the local relationships between all SCSEP service providers and the local WIA One Stops.

Action to be completed by January 1, 2015

Action: Identify and leverage compatible resources provided by both the aging and workforce network of providers.

Action to be completed by July 1, 2015

Action: State and national grantees to strategize methods for identifying unmet service needs in small communities that can be carried out by local SCSEP providers.

Action to be completed by December 30, 2014

Long-term projections for jobs in industries and occupations in Arizona that may provide employment opportunities for older workers

20 CFR 641.302d

As each region of the state identifies its own economic demographics, Training and Education Resource Model (TERM) data provided by the Arizona Department of Administration, Office of Employment and Population Statistics will be used to assist in the development of SCSEP participant's individual employment plans. The TERM provides a ranking of occupations that have the best potential for good opportunity in the local job market. The occupation ranking is based on labor market statistics for projected number of job openings, growth rates, wages, low turnover, and skills. Educational and training requirements from the Bureau of Labor Statistics are also included for each occupation.

The following chart is the projected rank (openings) of the top ten occupations in Arizona requiring short-term training (one-month or less) in Arizona for the years 2008-2018, based on comparative scores in five areas: openings, wages, skills, growth rate, and turnover rate.

On The Job Training (OJT) Occupation Rankings 2008-2018

From the TERM (Training & Education Resource Model)

Rank based on comparative scores in openings, wages, skills, growth, and turnover, using weights 3, 3, 1, 1, 1 (See notes page for detailed information)

Rank	SOC Code	Occupational Title	Openings	2009 Hourly Wage	O-NET Score	Growth Rate	Turnover Ratio	Training/Education Requirements*
91	43-5052	Postal Service Mail Carriers	267	$23.54	347	1.6	0.5	Short-Term on-the-Job Training
124	43-3011	Bill and Account Collectors	547	$15.47	512	1.7	0.9	Short-Term on-the-Job Training
133	53-3032	Truck Drivers, Heavy and Tractor-Trailer	592	$19.13	524	0.5	0.3	Short-Term on-the-Job Training
165	53-7081	Refuse and Recyclable Material Collectors	120	$18.80	519	1.3	0.5	Short-Term on-the-Job Training
174	33-9032	Security Guards	861	$11.85	592	1.3	0.6	Short-Term on-the-Job Training
177	43-4041	Credit Authorizers, Checkers, and Clerks	569	$12.05	485	5.2	1.8	Short-Term on-the-Job Training
191	39-9021	Personal and Home Care Aides	533	$10.42	502	2.8	2.2	Short-Term on-the-Job Training
197	43-3021	Billing and Posting Clerks and Machine Operators	245	$15.99	443	0.9	0.5	Short-Term on-the-Job Training
207	43-4181	Reservation and Transportation Ticket Agents and Travel Clerks	182	$15.42	438	1.3	0.6	Short-Term on-the-Job Training
209	43-4131	Loan Interviewers and Clerks	187	$17.91	427	0.7	0.3	Short-Term on-the-Job Training
212	53-3033	Truck Drivers, Light or Delivery Services	385	$15.37	537	0.4	0.2	Short-Term on-the-Job Training

Source: Arizona Department of Administration/Office of Employment and Populations Statistics in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, www.workforce.az.gov/pubs/labor/ojt08-18.pdf

The top ten occupations ranked by projected openings and requiring moderate-term training (1-12 months) are:

On The Job Training (OJT) Occupation Rankings 2008-2018 From the TERM (Training & Education Resource Model) Rank based on comparative scores in openings, wages, skills, growth, and turnover, using weights 3, 3, 1, 1, 1 (See notes page for detailed information)								
Rank	**SOC Code**	**Occupational Title**	**Openings**	**2009 Hourly Wage**	**O-NET Score**	**Growth Rate**	**Turnover Ratio**	**Training / Education Requirements***
52	13-2072	Loan Officers	161	$31.13	471	0.9	0.8	Moderate-Term on-the-Job Training
79	31-9091	Dental Assistants	315	$16.84	598	3.1	1.7	Moderate-Term on-the-Job Training
94	41-3011	Advertising Sales Agents	107	$28.38	540	0.6	0.3	Moderate-Term on-the-Job Training
101	49-9042	Maintenance and Repair Workers, General	646	$17.09	627	0.7	0.4	Moderate-Term on-the-Job Training
114	31-9092	Medical Assistants	484	$14.46	557	2.7	2.4	Moderate-Term on-the-Job Training
144	29-2052	Pharmacy Technicians	442	$14.47	492	3.2	1.3	Moderate-Term on-the-Job Training
145	43-6013	Medical Secretaries	288	$14.91	499	2.2	1.6	Moderate-Term on-the-Job Training
150	53-4011	Locomotive Engineers	32	$32.73	481	1.2	0.4	Moderate-Term on-the-Job Training
152	33-3012	Correctional Officers and Jailers	266	$18.72	678	0.1	0.0	Moderate-Term on-the-Job Training
153	43-4051	Customer Service Representatives	3,031	$15.45	441	1.5	0.5	Moderate-Term on-the-Job Training

Source: Arizona Department of Administration/Office of Employment and Populations Statistics in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, www.workforce.az.gov/pubs/labor/ojt08-18.pdf

Additional information related to the economic and workforce information for this population can be found in Section I.B of this plan.

How the long-term job projections discussed in the Economic Analysis section of the Strategic Plan relate to the types of unsubsidized jobs for which SCSEP participants will be trained and the types of skill training to be provided

20 CFR 641.302d

Each SCSEP participant's employment goals will be determined based on the their employment interest with local labor market information used to assist in the development of such goals as to be consistent with the local employment strategies to produce the optimum opportunities for employment. High growth areas of employment within a local economy, in coordination with the Local Workforce Investment Area's sector strategy will be a major factor in the determination of employment goals and related employment training programs.

Using TERM data will allow SCSEP grantees to tailor employment goals in the development of Individual Employment Plans (IEP) to provide the maximum opportunity for participants to learn the skills necessary to become employed in occupations that are projected to be available in their local labor market. The DES/DAAS SCSEP will engage in discussions with local employers, economic development entities and One Stop staff who work with employers to ensure that training plans are consistent and current with the local workforce direction regarding employment

preparation. Employability skills training will take into account more than technical and knowledge skills and will emphasize soft skills such as customer service and peer interaction. While employers prefer hiring people who are trained and ready to work, they are usually willing to provide specialized, job-specific training skills necessary for the job. DES/DAAS SCSEP will utilize, where appropriate, on-the-job experience to enhance the training experience and to increase the probability of unsubsidized employment and employment retention.

Current and projected employment opportunities in the state (such as by providing information available under §15 of the Wagner-Peyser Act 29 U.S.C. 491-2) by occupation, and the types of skills possessed by eligible individuals

20 CFR 641.325c

The following table reflects a summary of the individuals enrolled in SCSEP by each of the grantees in Arizona, based on selected characteristics:

Participant Characteristics	State	AARP	ANPPM	Goodwill	NICOA
Gender					
Female	65%	67%	67%	67%	59%
Age at Enrollment					
55-69	82%	86%	83%	86%	85%
75+	7%	5%	2%	7%	5%
Overall 60+	65%	60%	61%	59%	57%
Education					
8th Grade and below - High School Diploma/Equivalent	47%	42%	85%	62%	78%
Associates Degree	4%	1%	0%	6%	2%
Bachelor's Degree	9%	9%	2%	7%	4%
Master's Degree	3%	3%	1%	1%	1%
Doctoral Degree	1%	0%	0%	0%	0%
Disabled	9%	9%	4%	19%	9%
Veterans (or spouses)	16%	21%	7%	15%	11%

Source: SPARQ/Quarterly Progress Report – Final Q3 PY 2011

A major focus of the DES/DAAS SCSEP will be ensuring the alignment of host agency recruitments and participant's hard-skills training with the local labor market demand to ensure the participant is employable upon program exit. Based on data from the Arizona Department of Administration's Office of Employment and Populations Statistics, job gains are projected in all major sectors of the Arizona economy. The table below describes the average over-the-year percentage change for each sector for 2011, 2012, and 2013 where 2011 is the base year and 2012 and 2013 are forecast years.

Arizona Sector Employment

Average Annual Over-the-Year Change

	2011	2012	2013
Total Nonfarm	1.0%	2.0%	2.3%
Manufacturing	1.5%	2.4%	0.8%
Natural Resources & Mining	1.7%	1.0%	6.4%
Construction	0.2%	5.2%	5.3%
Trade, Trans. & Utilities	1.7%	2.1%	1.0%
Information	0.5%	1.3%	0.5%
Financial Activities	1.4%	1.8%	1.3%
Profess &Business Svcs.	1.1%	2.0%	2.4%
Educational & Health Svcs.	2.9%	2.9%	3.1%
Leisure & Hospitality	2.0%	3.5%	3.9%
Other Services	1.6%	0.0%	0.5%
Government	-1.4%	0.4%	0.3%

Source: Arizona Dept. of Administration/Office of Employment and Populations Statistics, "Employment Gains Forecast in All Sectors 2011-2013; Higher Growth Rates in 2013", May 4, 2012, (www.workforce.az.gov/pubs/labor/Forecast_5-4-12.pdf)

SCSEP participants will be coached regarding the outlook for unsubsidized jobs in the rural areas of the state. IEPs are based on a realistic expectation for employment goals for each participant and matched training opportunities. Labor market information will be used by SCSEP staff to identify occupations that are critical to the local economy.

The state SCSEP grantee will ensure that subgrantee staff has been trained in the use of the TERM. This information will be used in the identification and development of the IEP. SCSEP staff will then outreach to employers in coordination with One Stop staff. Employment opportunities will be pursued that are consistent with the participant's IEP employment goal, which will be based on research summarized in a realistic employment plan and strategies that lead to unsubsidized employment.

A description of the localities and populations for which projects of the type authorized by Title V are most needed

20 CFR 641.325d

The DES/DAAS SCSEP serves the following counties through contracts with five state sub-grantees - four Area Agencies on Aging and one county One Stop Career Center: Apache, Coconino, Gila, Maricopa, Mohave, Pima, Pinal, Navajo and Yavapai counties. The National Sponsors serve the remaining counties in the state and share some counties with the DES/DAAS SCSEP.

Arizona is comprised of two major population bases: Maricopa County and Pima County. According to the 2006-2010 American Community Survey 5-Year Estimates, approximately 64% of the Arizona's eligible SCSEP population resides in these two counties.

As a significant barrier to employment, persistent unemployment means that the annual average unemployment rate for a county or city is more than 20% higher than the national average for two out of the last three years. The chart below indicates the counties in Arizona that meet this threshold:

County	2009 – 2011 Meets Persistent Unemployment Thresholds?
Apache	Yes
Cochise	No
Coconino	No
Gila	No
Graham	Yes
Greenlee	No
La Paz	No
Maricopa	No
Mohave	No
Navajo	Yes
Pima	No
Pinal	Yes
Santa Cruz	Yes
Yavapai	No
Yuma	Yes

Description of actions to coordinate SCSEP with other programs

1. **Planned actions to coordinate activities of SCSEP grantees with WIA title I programs, including plans for using the WIA One Stop delivery system and its partners to serve individuals aged 55 and older. 20 CFR 641.302g, 641.325e**

In partnership with the Local Workforce Investment Areas, SCSEP national grantees and state sub-grantees will work together to assess the quality of the coordinated services between the SCSEP providers and the One Stop delivery system. In accordance with the WIA regulations, the SCSEP is a mandatory partner of the One Stop Career Centers. Coordination efforts include continued collaboration to improve cooperation and communication between WIA One Stop Service Centers and SCSEP, co-location when possible at One Stop comprehensive centers and affiliate sites, and work toward the development of innovative ways to improve services to the public and between programs in the One Stop Centers.

All memorandums of understanding among all SCSEP grantees will ensure that SCSEP is properly represented within each agreement and on each local workforce board. The DES/DAAS SCSEP will continue to coordinate efforts between the national grantees and the local workforce boards to outline a coordination plan for the delivery of SCSEP activities and services within each One Stop, and eliminate confusion within each Local Workforce Investment Area regarding multiple SCSEP grantees in the same workforce investment area.

The DES/DAAS SCSEP Coordinator sits on the Phoenix Workforce Connections Local Workforce Investment Area Board (LWIB) representing the program. DES/DAAS SCSEP sub-grantees sit on the LWIBs of La Paz/Mohave, Maricopa and Gila/Pinal Counties. The state representative for the National Indian Council on Aging represents SCSEP on the Nineteen Tribal Nation LWIB.

SCSEP participants are assigned to One Stop Career Centers as SCSEP Program Representatives. SCSEP staff are working with the Employment Service program operated as part of the State's One Stop system to assist participants in obtaining unsubsidized employment. Partnerships with vocational rehabilitation will be strengthened to assist disabled participants and leverage available resources.

SCSEP staff is encouraged to participate in local One Stop activities to strengthen the relationship between SCSEP and the One Stops. Staff will continue to participate in local One Stop partner meetings and work with One Stop staff to educate them on issues unique to SCSEP participants seeking employment. This sharing of information will also provide for expanded knowledge within the One Stop system of the services available through the Area Agencies on Aging (AAA) for customers who may benefit from them. This coordinated effort will facilitate program integration between AAAs who administer programs primarily targeting the 60+ population and the employment service programs through the utilization of the Arizona Job Connection (AJC) online system as well as the One Stop Comprehensive Career Centers throughout Arizona.

The DES/DAAS SCSEP Coordinator, SCSEP state sub-grantee manager in Maricopa County as well as the AARP Foundation SCSEP director sit on the Governor's Advisory Council on Aging's Mature Workforce Committee. This committee is currently focused on improving the ability of mature workers and employers to connect through a set of regional strategies to increase employer awareness of the challenges facing mature workers seeking to re-career and provide employment opportunities.

With funding for all workforce programs under scrutiny and "streamlining" emphasized in employment and training programs, it is understood by both WIA and SCSEP that innovative approaches to service delivery for individuals must be developed. Under historical models, and as noted in the U.S. Department of Labor issued "Protocol for Serving Older Workers" (Training and Employment Notice 16-04, January 31, 2005) and the follow-up Government Accountability Office (GAO) report "Most One Stop Career Centers Are Taking Multiple Actions to Link Employers and Older Workers" (GAO-08-548, April 2008), mature workers who visited the One Stops would be referred to the Senior Community Service Employment Program (Title V) as the only resource for a select population. They would also face barriers to services such as the perception that serving "older" workers could have a negative impact on WIA performance measures.

A recent GAO report "Unemployed Older Workers: Many Experience Challenges Regaining Employment and Face Reduced Retirement Security" (GAO-12-445) regarding unemployed Older Workers was released in April 2012. A significant finding in this report indicated that in December 2011 the unemployment rate for older workers (nationally) was 6.0%, up from 3.1% at the start of the recession (2007), but down from a peak of 7.6% in February 2010. However, long-term unemployment for older workers when

compared to younger workers rose substantially and by 2011, the GAO reported that 55% of unemployed older workers had been actively seeking a job for more than 27 weeks.

Charles A. Jeszeck, Director, GAO Education, Workforce, and Income Security testified before the U.S. Senate Special Committee on Aging ("Unemployed Older Workers: Many Face Long-Term Joblessness and Reduced Retirement Security", GAO -12-724T, May 15, 2012), that as part of the research for the April report, GAO conducted focus groups with unemployed older workers, and interviewed staff at One Stop career centers. The report concluded that "…older workers remain a critical and growing segment of the workforce, and a renewed focus is now needed to identify strategies to help address older workers' significant reemployment challenges. In our report, we recommended that Labor consider what strategies are needed to address the unique needs of older job seekers, in light of recent economic and technological changes."

Arizona has taken a proactive approach to the issue of unemployed older (mature) workers as part of the continuing effort of Arizona Mature Workforce (http://www.azgovernor.gov/GACA/MWI.asp), which is facilitated by the Governor's Advisory Council on Aging's Mature Workforce Committee (GACA/MWC). In February 2011, a scan of individuals registered in the state's automated workforce system found that statewide, 33.1% were age 45-75 years, with 44.7% of those over age 55. In order to determine what services and information may be helpful to One Stop staff serving the mature worker population the GACA/MWC conducted a survey in May 2011 of over 380 One Stop staff statewide who meet with mature worker job seekers as they enter the One Stops seeking services. This survey achieved a 46% response rate and helped to identify potential gaps in resources and coordination between the workforce and aging networks.

In November 2011, a follow-up survey to a smaller audience requested in which format the One Stop staff would like to have the information requested by the initial survey available to them. The results translated into three "toolkits" established on the public-private website, www.azmatureworkers.com, which launched in 2008. Toolkits were made available in May 2012 and are available for Workforce Professionals, Jobseekers, and Employers and contain resources requested by One Stop staff. It is understood that the information contained in these toolkits will continue to be refined and modified to meet the site users' needs. A survey has been added to the website to ensure users have the ability to provide input for ongoing site and content improvements to meet their needs.

This activity allowed GACA/MWC to forge a working relationship with Local Workforce Investment Areas to address identified gaps in information and services that could benefit the mature workers and employers. Through these efforts, strategies will be initiated and tailored to each Local Workforce Investment Area to assist staff in addressing the age-related needs of jobseekers so that employment can be their main focus.

The SCSEP will seek opportunities to join forces in regional economic and workforce initiatives, advocating on behalf of the SCSEP participant as an untapped viable source of potential employees to fill job vacancies. The state and national grantees are collaborating in a concerted effort to ensure that SCSEP is represented on each local workforce board. By having SCSEP on the local workforce boards, the program should be directly involved in regional economic and workforce development efforts through the promotion of its participants as a vital resource in a given region.

By having the AAAs as state sub-grantees in four of the five state service delivery areas, in-house programs and resources will continue to be used when the need arises to deliver appropriate services to participants. The fifth state sub-grantee is a Local Workforce Investment Area One Stop Comprehensive Center and leverages counseling, assessment and supportive service activities with other mandated One Stop partners and partners with the Local Workforce Investment Area agency on aging.

2. Planned actions to coordinate activities of SCSEP grantees with the activities being carried out in the State under the other titles of the Older Americans Act (OAA). 20 CFR 641.302h

As the state SCSEP grantee, DES/DAAS is responsible for the administration of all Older Americans Act (OAA) programs. The DES/DAAS SCSEP is an integral part of coordinated activities with the other titles of the OAA. Regarding workforce related activities and coordination, Goal 5 of the Arizona State Plan on Aging for Federal Fiscal Years 2011-2014[7] is to "Strengthen Arizona's economy by capitalizing on an integrated and well-trained informal, paraprofessional, and professional workforce." This goal will be achieved through the following objectives:

[7] https://www.azdes.gov/InternetFiles/Reports/pdf/Aging_20_Plan_2011_2014.pdf

Objective 5.1: Provide support for families in their efforts to care for their loved ones at home and in the community.

Objective 5.2: Promote a stable and competent workforce sufficient to meet the growing care needs in Arizona.

Objective 5.3: Promote a coordinated workforce development approach between public and private entities to benefit from the capabilities and experiences of a mature workforce.

Objective 5.4: Support older Arizonans' efforts to remain engaged in the workforce and civic engagement activities.

Strategies include support for workers and their family members with caregiving obligations by providing support for families who are caring for their loved ones at home or in the community. Caregiving resources become an increasingly important community component as the workforce ages and more and more workers find themselves needing to continue to work but also under the obligation of caring for loved ones who are aging, dealing with a chronic condition, or living with a disability. The DES/DAAS SCSEP will seek to connect employers with caregiving and elder care resources in continuing efforts to educate the employer community regarding the need for such benefits for an aging workforce. By providing information to employees on how to access such resources, issues such as lost productivity due to caregiving related obligations may be alleviated.

As previously mentioned, four of the five DES/DAAS SCSEP sub-grantees are AAAs. As such, resources offered by these organizations can be leveraged to provide not only "One Stop" support to SCSEP participants, but also by becoming host agencies. This in turn leads to capacity building of the OAA-sponsored community services and programs offered by the AAA.

ADES/DAAS will also be strengthening the Direct Care Workforce (DCW) as another means to assist with accomplishing this goal. The DCW Initiative continues to develop concepts to raise awareness of professional opportunities in direct care services. Through educational and marketing efforts, the DCW Initiative hopes to elevate the image of direct care work and attract qualified individuals into this field. This includes family caregivers who may choose to employ their skills further and become a paid direct care professional. Working with colleges, providers, and other agencies, the initiative is also developing career paths and cross-training opportunities, so that workers become qualified for a variety of direct care jobs – working with different populations and in different settings – and consider advancing into related fields, such as health care, social work, or human services administration. The viability of a career as a direct care professional will be a discussion that will be proposed for coordinated efforts with Arizona's workforce system programs wherever health services are part of a Local Workforce Investment Areas sector strategy for growth industries.

During SCSEP Program Year 2011, the DES/DAAS SCSEP partnered with the Arizona Healthy Living Chronic Disease Self-Management Program (CDSMP). CDSMP helps participants learn self-management skills needed to help deal with the symptoms of their chronic condition and with the life role changes and emotions experienced when living with a chronic condition. The emphasis of the workshop's curriculum is helping people manage common problems such as fatigue; communication with friends, family and providers; dealing with anger and depression; and designing and maintaining a healthy eating and exercise plan. In addition, participants learn disease related decision-making and problem solving skills. The most important outcome of the CDSMP is that, through this practice and group feedback, people become more confident and are able to combine more active lives with self-management of their chronic health condition.

CDSMP is being implemented by master trainers and lay leaders (often community volunteers) in 79 local organizations through the Arizona Department of Health Services in collaboration with the ADES/DAAS as part of the OAA Title IIID activities. Where offered CDSMP workshops are offered to SCSEP participants to assist them in managing chronic conditions that inhibit their ability to overcome potential health- related barriers to employment. In Program Year 2011, the Mohave County One Stop Career Center – a state SCSEP sub-grantee - had four SCSEP participants successfully complete training to become lay leaders. Other OAA evidence-based programs such as CDSMP will continue to be promoted to SCSEP participants not only for their own health benefit, but also as a viable option to learn new skills and potentially pursue employment as a workshop trainer.

3. Planned actions to coordinate SCSEP with other private and public entities and programs that provide services to older Americans, such as community and faith-based organizations, transportation programs, and programs for those with special needs or disabilities. 20 CFR 641.302i

To ensure an open and inclusive planning process, national grantees and other stakeholders were asked to provide input in the development of this plan. State sub-grantees and national grantees provided information pertaining to past and planned SCSEP activities and other mature worker related activities that will benefit SCSEP participants. Continuing forward, open lines of communication in electronic, telephonic and in-person formats between all grantees will be used. As time permits, regularly scheduled meetings/conference calls between all grantees will be conducted.

Collaborating with the Area Agencies on Aging (AAA) and tapping into their community network will continue to be used when the need arises to deliver appropriate services to participants. The state sub-grantee that is a Local Workforce Investment Area One Stop Comprehensive Center leverages counseling, assessment and supportive service activities with other mandated One Stop partners.

Throughout the state, many faith based organizations provide food boxes which often times provide the only source of food if a person cannot qualify for food stamps or if the amount is insufficient. In March 2010, Governor Brewer launched ArizonaSERVES,[8] an initiative to connect community organizations with faith-based organizations to serve the most vulnerable residents during difficult economic times that have resulted in reduced or limited funding. Linked to this effort, the ADES created the Office of Faith Based and Community Initiatives whose main purpose is to "develop leaders and advocates to foster collective community efficacy so that every child, adult and family in the state of Arizona will be safe and economically secure and to encourage and foster dialogue between faith-based and community organizations, and existing systems of care."

A key component of this initiative is the creation of Community Network Teams. These teams identify gaps in local human services and work to focus all available resources on eliminating those gaps. Ending hunger, poverty and violence or improving transportation, health care, child safety or career training are just a few of the issues the teams work collaboratively to resolve. The DES/DAAS SCSEP will coordinate local outreach activities to ensure that SCSEP participants are able to take advantage of the progress being made in their local community as a result of these teams' efforts.

Coordination with AZLinks, Arizona's Aging and Disability Resource Consortium, will continue as a viable resource for all workforce participants regardless of age. AZLinks was created to help Arizona seniors; people with disabilities, caregivers and their family members locate resources and services that meet their needs. AZLinks includes an accessible website (www.AZLINKS.gov) for Arizona consumers, caregivers, and providers who are looking for up-to-date information about Long Term Care (LTC) options, programs, and services. Also included on the AZLinks website is an employment page that provides links to employment related resources. In the first calendar quarter of 2012, this employment page averaged close to 700 unique views per month. A link to AZLinks is included in the azmatureworkers.com toolkits previously discussed. DES/DAAS will work to with local One Stop centers to ensure that easy access to AZLinks is included in all One Stop resource centers.

According to data from Program Year 2011 third quarter SCSEP Quarterly Progress Reports, SCSEP grantees in Arizona collectively had approximately 10% of their participants identified as having one or more self-reported disabilities. In an effort to enhance the network of resources and partnerships to strategize on how best to overcome the barriers to employment for an older, disabled population and ensure these do not inhibit an individual's ability to secure employment, the DES/DAAS SCSEP Coordinator participates on the Advisory Council of the Arizona Employment and Disability Partnership. The overarching goal of the Arizona Employment and Disability Partnership (AEDP) is "to remove systemic barriers and develop or build the current capacity of the existing infrastructure that supports competitive employment and self-sufficiency of individuals with disabilities." Key to these efforts is providing expanded opportunities for workforce participation and the lessening of dependency on public cash benefits by persons with disabilities who work. The AEDP also has representatives from the ADES Employment Administration as well as local WIA One Stop Managers. This insures the immersion of the AEDP efforts directly into the workforce system.

When assessment of a participant determines that SCSEP is not an appropriate course of action due to life changes, or recertification deems an individual ineligible, potentially eligible individuals will be referred to other programs such as the Foster Grandparent Program as a potential option. Foster Grandpa-

[8] https://www.azdes.gov/ArizonaServesHome.aspx

rents devote their volunteer service entirely too disadvantaged or disabled youth. They are individuals age 60 and over who thrive on direct interaction with children and believe they can make a difference in their lives. Income-eligible Foster Grandparents receive a modest stipend to help offset the costs of volunteering.

Outreach efforts will be emphasized to ensure SCSEP participants are aware of the resources available in their community. Marketing strategies will be developed and implemented to ensure to include presentations, flyers, word of mouth, job fairs and health fairs to reach all SCSEP eligible and vulnerable adults. These activities will expand to include faith based and other private organizations that would reach seniors where they are not already established.

4. Planned actions to coordinate SCSEP with other labor market and job training initiatives. 20 CFR 641.302j

In line with the Governor's vision of continuing to develop and refine innovative service delivery strategies in the context of regional sector strategy approaches to workforce development, it will be imperative for the SCSEP grantees operating in each Local Workforce Investment Area to engage in local workforce efforts and find the niche in which SCSEP participants can most benefit. These strategies will range from identifying host agencies that can further the training experience to establishing relationships with employers to set the stage for the use of on-the-job experience as a training-to-employment as part of the SCEP participant's Individual Employment Planning strategy.

5. Actions to ensure that SCSEP is an active partner in the One Stop delivery system and the steps the state will take to encourage and improve coordination with the One Stop delivery system. (20 CFR 641.335)

The DES/DAAS SCSEP will continue to strengthen the relationship with the state's workforce automated system, Arizona Job Connection (AJC). This system is built on shared resources which allow Arizona's workforce system to effectively and efficiently deliver a talent development system which will contribute to the competitiveness of the state. AJC is designed to offer comprehensive career, employment, and labor market information, as well as helping individuals receive education and training to expand their job skills, assist job seekers in connecting with employers, provide specialized assistance to individuals with barriers to career success, help businesses address workforce issues and ensure safe workplaces.

It will be essential that the AJC be prepared to address the needs of mature workers – especially low-skilled individuals who qualify for SCSEP. Due to potential capacity limitations to Workforce Investment Act (WIA) programs and sector strategies that may not afford like-skilled opportunities for a majority of SCSEP participants, Arizona's workforce system will be further stressed to provide necessary services to the state's unemployed population including the vulnerable SCSEP-eligible population. Combined with reduction in state funds available for older Arizonans, without the proper support and safety net system in place, SCSEP eligible individuals potentially could be left with limited employment options available to them when they need them most.

With 20.3% of unemployment insurance claimants over the age of 54 (Arizona Department of Administration, Office of Employment and Population Statistics, "UI Claimants by Age"), it is imperative that the One Stop centers are prepared to address the unique circumstances mature workers are facing when seeking employment. It is anticipated that with the decrease in SCSEP funding for not only the state grantee, but also the national grantees, there will be a significant increase in the need for employment training. SCSEP eligible individuals can anticipate significant wait lists for services. SCSEP participants should benefit from the collaboration between the GACA/MWC and Local Workforce Investment Areas to develop strategies to assist One Stop staff to enhance their local network to enable mature workers to maintain their economic independence. All exiting participants will be registered in the state's One Stop automated system (AZJobConnection.com) to ensure access to further career exploration and employment related resources.

The state and national grantees will continue collaborating in a concerted effort to ensure that SCSEP is represented on each local workforce board. By having SCSEP on the local workforce boards, the program should be directly involved in regional economic and workforce development efforts through the promotion of its participants as a vital resource in a given region.

SCSEP staff is encouraged to participate in local One Stop activities to strengthen the relationship between SCSEP and the One Stops. Staff will participate in local One Stop partner meetings and work with One Stop staff to educate them on issues unique to SCSEP participants seeking employment. This sharing of information will also provide for expanded know-

ledge within the One Stop system of the services available through the AAAs for customers who may benefit from them. These dialogs will serve as a catalyst to further collaboration opportunities between all members of the local One Stop system. These collaborations will facilitate program integration and leveraging of resources between AAAs who administer aging programs and the employment service programs.

Required Memorandums of Understanding will be current and signed by all SCSEP grantees operating in the Local Workforce Investment Area. The DES/DAAS SCSEP will continue to coordinate efforts between the national grantees and the local workforce boards to outline a coordination plan for the delivery of SCSEP activities and services within each One Stop, and eliminate confusion within each Local Workforce Investment Area regarding multiple SCSEP grantees in the same workforce investment area.

Arizona's long-term strategy for engaging employers to develop and promote opportunities for the placement of SCSEP participants in unsubsidized employment. 20 CFR 641.302(e)

State and national SCSEP grantees will continue to participate on the Governor's Advisory Council on Aging/Mature Workforce Committee (GACA/MWC). The objective of this committee is "to increase the percentage of workers over 50 participating in Arizona's workforce by promoting, preparing and providing opportunities for mature workers and employers to connect." The committee debuted a web portal (www.azmatureworkers.com) targeting mature (age 50+) workers in May 2008. This portal provides access to regionalized employment related resources including a job bank that will post available positions by employers who have the mature worker in mind. Another product of this committee was the development of a "mature worker friendly" certification for which employers can apply. This certification was created to acknowledge employers that maintain policies, practices and programs consistent with employment of people age 50 and older based solely on their proficiency, qualifications and contribution, and on terms and conditions comparable to younger individuals. As of May 2012, 77 employers were currently mature worker friendly certified.

State sub-grantees will be monitored on their outreach activities regarding their partnerships with local employers. Coordinating outreach efforts within the state One Stop system will be required. Linkages will continue between SCSEP and the GACA/MWC's efforts to attract and provide information and assistance in linking employers to older workers. These employers will be targeted to engage in ongoing dialog for input regarding the types of resources which may be valuable to them and all employers that can be included in the azmatureworkers.com employer toolkits.

Arizona's long-term strategy for achieving an equitable distribution of SCSEP positions.

1. Move positions from over-served to underserved locations within the state in compliance with 20 CFR 641.365

According to the U.S. Census Bureau 2006-10 American Community Survey (5-Year Estimates) statewide, there are 192,029 individuals aged 55+ below the 125% federal poverty level in Arizona. This represents almost 13% of the total 55+ population in the state. The Equitable Distribution Report provides a basis for determining the collective progress made by SCSEP grantees toward an equitable distribution of program positions in Arizona by county. Arizona's allocation of state and national grantee SCSEP positions is 471 (not counting Native Americans grantee statutory set-aside) for Program Year 2012. This represents a relatively level number of slots as compared to Program Year 2011, but a 32% decrease in the total number of authorized slots allocated to Arizona statewide as compared to Program Year 2010 allocations. The state grantee alone has realized a 46% decrease in the number of authorized slots allocated for its service delivery areas over the last two program years and the 2010 census has resulted in some major shifts in the allocation of authorized slots in the state for Program Year 2012.

Based on the proposed Program Year 2012 Equitable Distribution Report for Arizona, the State SCSEP Coordinator will facilitate discussion among all grantees at least once per program year to evaluate the distribution of training positions. For the purpose of this plan, these discussions will intensify once the Solicitation for Grant Applications (SGA) for Senior Community Service Employment Program National Grants for Program Year 2012, SGA/DFA PY-11-04 is concluded and it is known which national grantees will be providing SCSEP services in Arizona. As of the writing of this plan and at the direction of the U.S. Department to Labor (USDOL), Program Year 2012 equitable distribution is not to be implemented until October 1, 2012, when the national grantee competition is over. Until that time all grantees, nationals as well as states, will continue to serve their current areas. In the event slot movement is recommended, all grantees and sub-grantees will be notified and the

proper slot transfer policy and procedures as outlined by USDOL/Employment and Training Administration will be followed.

2. Equitably serve rural and urban areas

In some of the more rural areas of the state, there are significant barriers the SCSEP grantees have to confront on an on-going basis. There are shortages of quality host agencies that can provide training to match the employment goals for participants. There are shortages of 'senior friendly' employers that have a presence in the rural areas and are seeking new employees from the SCSEP population. The economy in some of the counties is depressed. Public transportation is non-existent in some rural areas.

Many participants choose to live in rural areas for reasons not related to work. Through appropriate assessment and case management, the SCSEP grantees determine if the SCSEP services are suitable for individuals who have a mismatch between their employment goal and what is available in the community where they live. They take into consideration the option of participants being able to commute to a host agency that will provide them the training for a job that might not be available in the rural community. For some participants this works if they can arrange transportation and have a strong desire to obtain a better paying job.

SCSEP staff develop Individual Employment Plans (IEPs) with participants to assist with the provision of services in rural areas. Staff are familiar with the rural area they serve and learn how to address these barriers. They are aware of where the services can be strengthened and potentially developed to meet the needs of the other participants.

It is a challenge to both recruit eligible participants and develop host agencies in rural areas due to distance, language, transportation, etc. SCSEP grantees/sub-grantees serving rural areas continue to cultivate host agencies that can offer training for participants to become more job-ready. The challenges in rural areas are ongoing and usually take more time to develop and monitor to assure that the SCSEP participants' training needs are met. This requires additional resources for staff time and travel.

3. Serves individuals afforded priority for service under 20 CFR 641.520. 20 CFR 641.302(a), 641.365, 641.520

Each applicant will be assessed based on their individual circumstances. The following priorities of service will be used to determine those most in need of SCSEP services if demand for services exceeds the supply of available slots:

- homeless or at risk of homelessness,
- rural,
- limited English proficiency,
- low literacy skills,
- veteran (or qualified spouse),
- disability,
- failed to find employment after using WIA Title I and,
- low-employment prospects.

With the drastic reduction in training slots over the past two program years, it will be imperative for sub-grantees to maintain detailed waiting lists and contact procedures to ensure increasingly scarce opportunities for enrollment are filled according to the required priority of service protocol. Sub-grantees will be knowledgeable of the requirements of veteran's priority of service requirements as outlined in Training and Employment Guidance Letter 10-09 "Implementing Priority of Service for Veterans and Eligible Spouses in all Qualified Job Training Programs Funded in whole or in part by the U.S. Department of Labor (DOL)."

Ratio of eligible individuals in each service area to the total eligible state population

20 CFR 641.325a

According to the U.S. Census 2006-2010 American Community Survey 5-Year estimates, there are a total of 192,029 individuals in Arizona age 55 and older and have a ratio of income to poverty level of less than 125% of the federal poverty level. The following chart depicts the distribution of this cohort at the county level.

County	SCSEP eligible individuals as a percent of total statewide eligible population (55+ years old and <125% of FPL)
Apache	2.85 %
Cochise	3.42 %
Coconino	2.10 %
Gila	1.76 %
Graham	0.72 %
Greenlee	0.15 %
La Paz	0.86 %
Maricopa	46.51 %
Mohave	5.16 %
Navajo	2.68 %
Pima	17.33 %
Pinal	5.39 %
Santa Cruz	1.13 %
Yavapai	5.45 %
Yuma	4.48 %

Relative distribution of eligible individuals who:

- reside in urban and rural areas within the state;
- have the greatest economic need;
- are minorities;
- are limited English proficient; and
- have the greatest social need.[9]

Based on data from the U.S. Census Bureau, 67% of Arizona's total population resides in Maricopa County, which includes the Greater Phoenix area. Pima County, which includes the Greater Tucson area, is home to 15% of the population and the remaining 18% of the population reside in the balance of the state. According to the U.S. Census Bureau, American Community Survey (2006-2010 5-year Estimates) there are approximately 1,500,232 persons age 55 and older, representing about 25% of the state population.

Recruitment efforts to serve persons of greatest economic and social needs and minorities occur in One Stop centers, senior centers, advocacy groups, senior housing programs, and food banks. SCSEP grantees are also experiencing other population phenomenon such as refugees, immigrants, grandparents raising grandchildren, and inmates seeking entry into the workforce. SCSEP grantees will continue to share best practices and partner with one another to expand innovative recruitment efforts.

The following definition of "rural" will be used in determining whether an applicant resides in an urban or rural area of the state:

> An area not designated as a metropolitan statistical area by the Census Bureau; segments within metropolitan counties identified by codes 4 through 10 in the Rural Urban Commuting Area (RUCA) system; and RUCA codes 2 and 3 for census tracts that are larger than 400 square miles and have population density of less than 30 people per square mile.

During the enrollment process, the Rural Urban Commuting Area (RUCA) system found in the SCSEP Performance and Results Quarterly (SPARQ) system will be used to verify whether an applicant's address qualifies as either "rural" or "urban." The following table indicates the population breakdown of Arizona along with each RUCA code for 2010 and 2011.

FIPS1	County name	RUC code2	Pop. 2010	Pop. 2011	Change 2010-11
4001	Apache County	6	71,518	72,401	1.23
4003	Cochise County	4	131,346	133,289	1.48
4005	Coconino County	3	134,421	134,511	0.07
4007	Gila County	4	53,597	53,144	-0.85
4009	Graham County	6	37,220	37,147	-0.20
4011	Greenlee County	7	8,437	8,606	2.00
4012	La Paz County	6	20,489	20,419	-0.34
4013	Maricopa County	1	3,817,117	3,880,244	1.65
4015	Mohave County	4	200,186	202,351	1.08
4017	Navajo County	4	107,449	107,398	-0.05
4019	Pima County	2	980,263	989,569	0.95
4021	Pinal County	1	375,770	382,992	1.92
4023	Santa Cruz County	4	47,420	47,676	0.54
4025	Yavapai County	3	211,033	211,888	0.41
4027	Yuma County	3	195,751	200,870	2.62

1) The FIPS codes uniquely identify each county and are part of the Federal Information Processing Standards (FIPS) developed by the National Institute of Standards and Technology (NIST), U.S. Department of Commerce. For more information, see the NIST FIPS publication page.

2) The 2003 rural-urban continuum codes classify metropolitan counties (codes 1 through 3) by size of the Metropolitan Statistical Area (MSA), and nonmetropolitan counties (codes 4 through 9) by degree of urbanization and proximity to metro areas. See rural-urban continuum codes for precise definitions of each code.

[9] 20 CFR 641.325(b)

2003 Rural-Urban Continuum Codes

Code	Description
Metro counties:	
1	Counties in metro areas of 1 million population or more
2	Counties in metro areas of 250,000 to 1 million population
3	Counties in metro areas of fewer than 250,000 population
Non-metro counties:	
4	Urban population of 20,000 or more, adjacent to a metro area
5	Urban population of 20,000 or more, not adjacent to a metro area
6	Urban population of 2,500 to 19,999, adjacent to a metro area
7	Urban population of 2,500 to 19,999, not adjacent to a metro area
8	Completely rural or less than 2,500 urban population, adjacent to a metro area
9	Completely rural or less than 2,500 urban population, not adjacent to a metro area

Source: U.S. Census Bureau, 1990 and 2000 Censuses of Population (corrected), 2010 county redistricting files, and 2011 County Total Population Estimates

The DES/DAAS SCSEP will take the following steps to ensure that the needs of older persons in these categories are given priority attention:

- Encourage the establishment of community SCSEP focal points and/or service points that are easily accessible to individuals with the greatest economic and social need.
- Continue to coordinate with the One Stops to ensure core services are provided.
- Ensure workforce staff who serve SCSEP participants are knowledgeable of accessible resources to address the special service needs of this group.
- Provide technical assistance to the One Stops and service providers in meeting the needs of this group.
- Provide orientation on the special needs of this group in training of service delivery.
- Continue to coordinate and work with the GACA to ensure information on services and resources reach this target population.
- Encourage staffing of service projects that include bilingual, bicultural staff, commensurate with the composition of the local target populations.
- Include monitoring and assessment of SCSEP sub-grantees in responding to the needs of this group.
- Ensure that dissemination of information on service resources reaches this group.

According to the U.S. Census Bureau, 2008-2010 American Community Survey three-year estimates, approximately 10.5% of Arizona's population speaks English "less than very well." The following table depicts Arizona SCSEP grantee data of those participants who have been assessed as possessing characteristics of selected demographic data sets.

Participant Characteristics	State	AARP	ANPPM	Goodwill	NICOA
Limited English Proficiency	12%	1%	47%	15%	22%
Low Literacy Skills	16%	23%	40%	22%	22%
Residing in rural areas	30%	7%	32%	1%	44%
Homeless or at risk of homelessness	51%	76%	27%	58%	6%
Receiving Public Assistance	63%	45%	59%	61%%	59%%

Source: SCSEP Performance and Results Quarterly Progress Report System (SPARQ) PY2011 Q3 (5/23/2012)

Efforts will be made to partner with community organizations that specialize in literacy and language skill enhancement. Host agencies with appropriate community service assignment will also be sought to enable the participants to engage in work-based skill upgrades concurrently with literary and language training.

A description of the steps taken to avoid disruptions to the greatest extent possible, when positions are redistributed, as provided in 20 CFR 641.365; when new Census or other reliable data become available; or when there is over-enrollment for any other reason

20 CFR 641.325i, 641.302b

Upon notification of projected PY 2012 funding levels and authorized training slot distributions based on the 2010 census, the DES/DAAS SCSEP evaluated its PY 2011 allocations and compared them to the equitable distribution targets for PY 2012. In areas where a decrease or level allocation is planned the following strategies will be employed.

- **Freeze Enrollments.** Applicants will be informed at the time of service inquiry of the freeze. Individuals desiring to complete an application for enrollment will be provided with a conditional eligibility determination and placed on a waiting list. Information will be provided to applicants, to national SCSEP grantees in the given service delivery area, as well as the local Arizona Workforce Connection One Stop office. DES/DAAS SCSEP will monitor its enrollment levels and available funding on a monthly basis, with the goal of lifting the enrollment freeze as soon as funding can support new enrollments.
- **Reduce Weekly Training Hours.** In order to maximize funding to cover operating expenses, hours of participation may be reduced. The goal will be to keep training between 18-20 hours per week, but in some cases, this may not be possible. All participants and host agencies will be notified in writing of any reduction or other fluctuations in training hours. If necessary, hours may be reduced to lower levels with the possibility of also instituting mandatory unpaid approved breaks in participation.
- **Monitoring of Durational Limits**. Durational limits will be closely monitored to ensure participants approaching their eligibility limits have a prepared transitional Individual Employment Plan (IEP) in place and are properly exited per program policy.
- **Emphasize Job Development and Placement.** Although sub-grantees will be competing with other employment and training programs, the DES/DAAS/ SCSEP will place increased emphasis on the use of On-the-Job Experience (OJE) and specialized training programs. It is hoped that these extra "tools" in the sub-grantee's tool belt will provide for increased employment opportunities and expedite the transition into unsubsidized employment for qualified participants.
- **Monitor and Revise the Equitable Distribution Report as Needed.** A final strategy to be used to address over-enrollments is to ensure training positions are allocated in order to achieve equitable distribution. This will be coordinated with the DES/DAAS SCSEP re-evaluation of sub-grantee funding on a quarterly basis and reallocate funds and training positions if necessary based on enrollment levels. When there is a need to move positions, the state and national grantees will coordinate these activities. Plans for maintaining equitable distribution will be discussed during quarterly conference calls between the SCSEP national grantees during the course of the year. Equitable distribution efforts over the past several years have proven to be successful. The state and national grantees will continue these efforts to work toward equitable distribution in all counties. All slot allocation revisions will be proposed to the U.S. Department of Labor for approval prior to implementation in accordance with the SCSEP Transfer Policy.

The State's long-term strategy for serving minority older individuals under SCSEP

20 CFR 641.302c

The SPARQ Quarterly Progress Report (QPR) along with county level census data will be used in conjunction with the annual "Senior Community Service Employment Program Analysis of Service to Minority Individuals" to measure the effectiveness of minority recruitment and service campaigns. Recruitment efforts of minority groups will be monitored throughout the year to ensure compliance with Section 515 of the OAA.

The following chart illustrates the percent of Arizona's statewide population in comparison to state grantee SCSEP participants served as of PY 2011 Quarter 3 (Year-to-date).	Arizona* 2010	% of Total Statewide Population	SCSEP PY11/Q3 (State Grant Only)**
Total population (Statewide)	6,392,017		
Race			
White	4,667,121	73.0%	72%
Black or African American	259,008	4.1%	14%
American Indian and Alaska Native	296,529	4.6%	3%
Asian	176,695	2.8%	2%
Native Hawaiian and Other Pacific Islander	12,648	0.2%	0%
Ethnicity			
Hispanic or Latino (any race)	1,895,149	29.6%	17%

*Source: U. S. Census (http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk)
**Source: SCSEP Performance and Results Quarterly Progress Report System (SPARQ) PY2011 Q3 (5/23/2012)

Efforts are planned to continue to recruit minorities into the DES/DAAS SCSEP such as with the Arizona Refugee Resettlement Program. This relationship has been particularly successful in Maricopa and Pima counties. The National Indian Council on Aging (NICOA) has traditionally served the tribal reservation population in Arizona; therefore, state sub-grantees do not target the 22 American Indian tribes that reside in Arizona for recruitment purposes. The state grantee and sub-grantees will continue to work closely with NICOA to ensure appropriate referrals to each program are made so this population can be provided SCSEP services.

DES/DAAS SCSEP, through its sub-grantees, will continue to strengthen and expand relationships with community organizations that serve minority populations. Keeping in mind the need to balance service to specific minority groups and meet performance measures related to individuals qualifying as "most in need of SCSEP services" regardless of minority status, sub-grantee staff will ensure proper data entry of demographic characteristics, the use of SPARQ Management Reports and the generation of SCSEP Quarterly Progress Reports (QPRs) to monitor service levels to minorities. The DES/DAAS SCSEP will once again explore use of geographic information systems (GIS) technology to identify pockets of various minority groups for targeted recruitment activities. GIS has been used in the past for this purpose and has proven to be a useful tool to reach targeted audiences.

A list of community services that are needed and the places where these services are most needed. Specifically, the plan must address the needs and location of those individuals most in need of community services and the groups working to meet their needs

20 CFR 641.330

The DES/DAAS SCSEP will look to the Arizona State Plan on Aging and locally focused Area Agency on Aging (AAA) plans for guidance in order to identify and address the community services needed by the SCSEP eligible population. These plans were based on the following shared goals identified in the Arizona State Plan on Aging for Federal Fiscal Years 2011- 2014:

- Goal 1: Make it easier for eligible older Arizonans to access an integrated array of state and aging services.
- Goal 2: Increase awareness and understanding of aging issues and help prepare Arizona for an aging population.
- Goal 3: Increase the ability of older adults to remain active, healthy and living independently in their communities.
- Goal 4: Increase the safety and well-being of older Arizonans.
- Goal 5: Strengthen Arizona's economy by capitalizing on an integrated and well-trained informal, paraprofessional, and professional workforce.
- Goal 6: Enhance the state's capacity to develop and maintain the necessary infrastructure to deliver services in a culturally appropriate, timely and cost effective manner.
- Goal 7: Promote quality of care in all aging services.
- Goal 8: Promote effective and responsive management for all aging services.

The DES/DAAS and AAAs developed their area plans based on the input provided by focus groups and listening sessions for the targeted population of older Arizonans hosted by the Governor's Office on Aging and each Area Agency on Aging. In general, service needs that were identified include the following:

- access to transportation;
- affordable dental and health care;
- understanding Medicare;
- home maintenance;
- assistance with meals, housekeeping, laundry, and personal care;
- affordable legal assistance; and
- knowing where to go for information and assistance.

An increasing number of seniors have found themselves in need of some sort of financial assistance to meet these needs and have turned to the workforce system. This has reinforced the need to educate the One Stop system on the needs viability of this population.

Strengthening the bond between the state and local level workforce and aging networks will be a primary focus of SCSEP, which should be the "expert" One Stop partner program in serving this population. With capacity an issue in meeting the needs of all

seniors seeking either part- or full-time employment sharing information on potential volunteer opportunities is also a way to provide for the senior population to stay engaged in community activities while building the capacity of local organizations.

Arizona's long-term strategy to improve SCSEP services, including planned longer-term changes to the design of the program within the state, and planned changes in the use of SCSEP grantees and program operators to better achieve the goals of the program. This may include recommendations to the Department as appropriate

20 CFR 641.302(k)

As of the writing of this plan, SCSEP faces an uncertain future. Reauthorization of both the OAA and WIA are being discussed in Congress. To date, Congressional leaders have shared the following potential scenarios in one form or another, with each presenting profound implications to the long-term strategies on how to improve the program:

- **SCSEP administration transferred from the U.S. Department of Labor (USDOL) to the U.S. Department of Health and Human Services (DHHS).** USDOL provides the following reasoning as proposed in the Congressional Budget Justification for Federal Fiscal Year 2013(FY 2013 Congressional Budget Justification: Employment and Training Administration - Community Service Employment for Older Americans (www.dol.gov/dol/budget/2013/PDF/CBJ-2013-V1-06.pdf):
  - "A move to HHS would consolidate Federal oversight of the OAA under one department, streamlining operations and putting Federal administration of CSEOA (Community Service Employment for Older Americans) in alignment with operations in the field."
  - "Transferring SCSEP to HHS will also strengthen partnerships between SCSEP and other safety-net programs, including programs authorized by the Older Americans Act and currently administered by the Administration on Aging."
  - "The scheduled reauthorization of the Older Americans Act in 2012 provides an opportunity to revisit the mission of SCSEP and to address any issues around administrative alignment."
  - "SCSEP would continue to be a vehicle through which unemployed seniors obtain work-based training, earn income, and move toward unsubsidized employment. The Department of Labor will continue its partnership with HHS to support the needs of seniors by training older workers to help other seniors thrive in the workforce."

  It is unclear at this point whether this proposed move constitutes a strategy to "improve" SCSEP, but if it does become reality, the focus of the program will be re-evaluated as noted in the justification as the mission of the program would be revisited. This could potentially have major impacts on the relationship and role the program plays in the WIA activities, partnerships and purpose.

  A move of the program out of USDOL would reinforce the need to further educate One Stop staff on unique barriers to employment of mature workers (GACA/MWC effort) as SCSEP in the One Stop system potentially may not be an option. With a workforce comprised of members working later in life and a number needing to return due to the financial crisis of this country, USDOL, states and local workforce boards may wish to set aside planning sessions to strategize on how best to serve job seekers and employers of an aging workforce.

- **Study the feasibility of transferring the program.** Sen. Bernie Sanders (I-Vt.) introduced S. 2037 which calls for, in part:
  - Placing not less than 50% of the participants in the grantee's project in positions with organizations that assist older adults or in positions with duties that positively impact the lives of older adults.
  - The Assistant Secretary for Aging of the Department of Health and Human Services, and the Secretary of Labor, shall study the feasibility of transferring the program carried out under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.) to the Administration on Aging.
  - Not later than two years after the date of enactment of this Act, the Assistant Secretary and the Secretary shall submit a report containing the results of the study to the appropriate committees of Congress.

  The proposed legislation would in effect seem to move in the same direction as actually transferring the program as there is renewed emphasis on using SCSEP to enhance the capacity of community service and less emphasis on the current transition to unsubsidized employment aspect of the program. As previously stated, this would also reinforce the need to further educate One Stop staff on unique barriers to employment of mature workers (GACA/MWC effort) as SCSEP in the One Stop system potentially may not be an option.

- **Title V Repealed.** H.R. 4297, The Workforce Investment Improvement Act of 2012 repeals Title V of the OAA. In the event this does occur, there will no longer be any program dedicated to older workers. As previously stated, this would also reinforce the need to further educate One Stop staff on unique barriers to employment of mature workers as SCSEP in the One Stop system would no longer be an option.

It appears that the One Stop system must prepare for changes in the delivery of services to mature workers as a result of pending reauthorization of both the Workforce Investment Act and the Older Americans Act. Improvements in the delivery model of services to older workers and employers rests in the efforts to prepare the One Stops on the unique barriers to employment faced by mature workers and to educate employers on the value mature workers serve in the workplace.

One recommendation that Arizona would propose is providing SCSEP grantees access to unemployment insurance wage data. As long as SCSEP remains a mandated partner in the workforce investment system and use of common measures for the entered employment, employment retention and average earnings are to remain as part of the overall performance of a grantee, it is imperative to allow for verification of such data. Under the current system, it is often difficult to gain access to such information as employers are reluctant to divulge such information and past participants can be difficult to contact once they have exited the program. Access to the wage data would place SCSEP on a level playing field with the other WIA programs in the measurement of "common" measures.

Regardless of the fate of SCSEP (Title V), it is recommended that the U.S. Department of Labor take into consideration the GAO Report "Unemployed Older Workers: Many Experience Challenges Regaining Employment and Face Reduced Retirement Security" (GAO-12-445). It is recommended that a Training and Employment Guidance Letter be disseminated by the U.S. Department of Labor to all state workforce agencies emphasizing that each local workforce board create a task force to explore how best to address the findings of the report and strategize how best to serve older workers.

The State's strategy for continuous improvement in the level of performance for SCSEP participants' entry into unsubsidized employment, and to achieve, at a minimum, the levels specified in OAA Section 513(a)(2)(E)(ii)

20 CFR 641.302(f)

The DES/DAAS SCSEP will continue to seek opportunities to improve its collective levels of performance by striving to accomplish the following:

- On-site monitoring visits of the State sub-grantees are conducted by the State Grantee at least once every two years (unless otherwise required due to programmatic issues, new staff, etc.).
- Annual Data Validation is conducted by the State Grantee, at which time issues discovered during on-site monitoring are reviewed.
- Monthly expenditure data is shared and reviewed monthly with sub-grantees.
- The State Grantee monitors each individual sub-recipient's six performance measures (and the recent volunteerism and post-9/11 veteran provisions) on a quarterly basis per the SPARQ system, and, if issues arise during the year, the State Grantee contacts the specific sub-recipient to remedy the targeted issue(s).
- Monthly sub-grantee conference calls are facilitated by the State Grantee in order to keep a continuous line of communication open between all parties.
- Programmatic policies and/procedures are continuously revised to validate changes with the program.
- The State Grantee coordinates tutorial sessions for new sub-recipient staff and provides a mentor-like program for those who need assistance with day-to-day direct services of the SCSEP program.
- All sub-recipients are required to participate in specialized SCSEP/training program meetings, teleconferences, webinars, etc., that are located in their region of the state and/or online via the USDOL WIA and other ETA sites.

Name Of SCSEP Signatory Official

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Section III – Assurances

LET'S REVIEW ASSURANCES AND MAKE SURE YOU HAVE COPIES OF THE POLICIES OR A LINK TO THEM THAT ARE REQUIRED

This section provides a "check-the-box" table of assurance statements and a single signature sheet to certify that the information provided by the state, and submitted to the Department, in the following table is accurate, complete, and meets all legal and guidance requirements. The table below contains the assurances, the legal reference that corresponds to each assurance, and a column for the state to provide a reference to the document(s) that it believes meets the stated assurance or where the statute requires documentation of a policy or procedure. Such a reference may be a hyperlink to an on-line document or it may be an attachment. Not all assurances require documents to be attached or referenced. Where an approved special exemption, waiver, or an approved alternate structure makes an assurance not applicable to your state, please insert the words "Not Applicable" in the reference column.

By checking each assurance, attaching the proper documentation or links, and signing the certification at the end of the document, the state is certifying it has met each of the legal planning requirements outlined in WIA law and regulations and in corresponding Departmental guidance. By checking each box and signing the certification, the state is also indicating that its supporting documentation meets all applicable Federal and state laws and regulations and is available for review. Any deficiencies in the documentation attached to each assurance identified during the state plan review process may result in additional technical assistance and a written corrective action as part of the Department's conditional approval of the state's Integrated Workforce Plan. Assurances that are part of the state's grant agreement are not duplicated here.

Following the checklist we have provided the links and information for each assurance.

ASSURANCES AND ATTACHMENTS – PLANNING PROCESS AND PUBLIC COMMENT

		STATEMENT	REFERENCE	DOCUMENTATION and COMMENTS
1.	X	The state established processes and timelines, consistent with WIA Section 111(g) – and, where appropriate, 20 CFR 641.325(g) – to obtain input into the development of the Integrated Workforce Plan and to give opportunity investment boards, businesses, labor organizations, other primary stakeholders, and the general public.	WIA Sections 112(b)(9), 111(g) 20 CFR 661.207 20 CFR 661.220(d) 20 CFR 641.325(f), (g), (h), 20 CFR 641.335	See Below
2.	X	The state afforded opportunities to those responsible for the planning or administering programs and activities covered in the Integrated Workforce Plan to review and comment on the draft plan.	WIA Sections 112(b)(9), 111(g) 20 CFR 661.207 20 CFR 661.220(d)	See Below
3.	X	The final Integrated Workforce Plan and State Operational Plan are available and accessible to the general public.		See Below
4.	X	The state afforded the State Monitor Advocate an opportunity to approve and comment on the Agricultural Outreach Plan. The state solicited information and suggestions from WIA 168 National Farmworker Jobs Program grantees, other appropriate MSFW groups, public agencies, agricultural employer organizations, and other interested organizations. At least 45 days before submitting its final outreach, the State provided a proposed plan to the organizations listed above an allowed at least 30 days for review and comment. The State considered any comments received in writing whether their comments have been incorporated and, if not, the reasons therefore, and included the comments and recommendations received and its rep0onses with the submission of the plan.	WIA Sections 112(b)(9), 111(g) 20 CFR 661.207 20 CFR 661.220(d) 20 CFR 653.108(f)	See Below
5.	X	In the development of the plan, the state considered the recommendations submitted by	20 CFR 653.108(t)	See Below

		the State Monitor Advocate in the annual summary of services to Migrant and Seasonal Farmworkers.		
6.	X	The state established a written policy and procedure to ensure public access (including people with disabilities) to board meetings and information regarding board activities, such as board membership and minutes.	WIA Sections 111(g0 112(b)(9), 117(e) 20 CFR 661.207	See Below
7.	X	Where SCSEP is included in the Integrated Workforce Plan, the state established a written policy and procedure to obtain advice and recommendations on the State Plan from representatives of the State and area agencies on aging. State and local boards under the WIA; public and private nonprofit agencies and organizations providing employment services, including each grantee operation a SCSEP project with the state, except as provided under section 506 (a)(3) of OAA and 20 CFR 641.320(b); Social service organizations providing services to older individuals; Grantees under Title III of OAA, Affected Communities, Unemployed older individuals, Community-based organizations serving older individuals; business organizations and labor organizations.	20 CFR 641.315(a)(1-10), 641.325(f), (g), (h)	See Below

ASSURANCES AND ATTACHMENTS – REQUIRED POLICIES AND PROCEDURES

		STATEMENT	REFERENCE	DOCUMENTATION or COMMENTS
8.	X	The state made available to the public state-imposed requirements, such as state-wide policies or guidance, for the statewide public workforce system, including policy for the use of WIA title I statewide funds.	WIA Sections 112(b)(2), 129, 134 20 CFR 665.100	See Below
9.	X	The state established a written policy and procedure that identifies circumstances that might present a conflict of interest for any state or local workforce investment board member or the entity that s/he represents, and provides for the resolution of conflicts. The policy meets the requirements	WIA Sections 112(b)(13), 111(f), 117(g)	See Below

		Of WIA Sections 111(f) and 117(g).		
10.	X	The state has established a written policy and procedure that describes the state's appeals process available to unity of local government or grant recipients that request, but are not granted, designation of an area as a local area under WIA Section 116.	WIA Sections 112(b)(15), 116(a)(5) 20 CFR 661.280 20 CFR 667.700	See Below
11.		The state established written policy and procedures that describe the state's appeal process for requests not granted for automatic or temporary and subsequent designation as a local workforce investment area.	20 CFR 667.640 20 CFR 662.280	See Below
12.	X	The state established a written policy and procedure that set forth criteria to be used by chief elected officials for the appointment of local workforce investment board members.	WIA Sections 112(b)(6), 117(b) 20CFR 661.300(a) 20 CFR 661.325	See Below
13.	X	The state established written policy and procedures to ensure local workforce investment boards are certified by the governor every two years.	WIA Sec 117 (c) 20 CFR 661.325	See Below
14.	X	Where an alternative entity takes the place of an SWIB, the state has written policy and procedures to ensure the alternative entity meets the definition under sections 111(e) and the legal requirements for membership.	WIA Sections 111(e), (b) 20 CFR 661.210	See Below
15.	X	Where the alternative entity does not provide representative membership of the categories of required SWIB membership, the state has a written policy or procedure to ensure an ongoing role for any unrepresented membership group in the workforce investment system. (Only applicable in cases where a state uses an alternative entity as its SWIB, and that entity does not provide for representative membership by individual in the categories required by WIA sec. 111(b).)	WIA Sections 111(b), (e) 20 CFR 661.210(c)	See Below
16.	X	When applicable, the state takes any action necessary to assist local areas in developing and implementing the One-Stop system	WIA Sections 112(b)(14), 134(c) W-P Section 8(c)	See Below
17.	X	The state established procedures for determining initial and subsequent eligibility of	WIA Sections	See Below

		training providers.	112(b)(17)(A)(iii), 122, 134(d)(4) 20 CFR 663.515, 663.535	
18.	X	All partners in the workforce and education system described in this plan will ensure the physical, programmatic, and communications accessibility of facilities, programs, services, technology, and materials for individuals with disabilities in One-Stop Career Centers.	WIA Section 188 W-P Section 8(b) 29 CFR part 37 20 CFR 352.8(j)	See Below
19.	X	The state ensures that outreach is provided to populations and sub-Populations who can benefit from One-Stop Career Center services.	WIA Section 188 29 CFR 37	See Below
20.	X	The state implements universal access to programs and activities to all individuals through reasonable recruitment targeting, outreach efforts, assessments, services delivery, partnership development, and numeric goals	WIA Section 188 29 CFR 37.42	See Below
21.	X	The state complies with the nondiscrimination provisions of section 188, including that Methods of Administration were developed and implemented.	WIA Section 188 29 CFR 37.20	See Below
22.	X	The state collects and maintains data necessary to show compliance with nondiscrimination provisions of section 188.	WIA Section 185	See Below
23.	X	For WIA Single-Area States only, the state has memorandums of understanding between the local workforce investment board and each of the One-Stop partners concerning the operation of the One-Stop delivery system in the local area.	WIA Sections 112(b)(5), 116(b) 118(b)(2)(B), 20 CFR 661.350(a)(3)(ii)	See Below

ASSURANCES AND ATTACHMENTS – ADMINSITRATION OF FUNDS

		STATEMENT	REFERENCE	DOCUMENTATION and COMMENTS
24.	X	The state established written policy and procedures that outline the methods and factors used in distributing funds, including WIA Adult, Dislocated Worker, and Youth formula and rapid response funds. The policy Establishes a process for funds distribution to local areas for youth activities under WIA Section 128(b)(3)(B), and for adult and training activities under WIA Section 133(b), to the level of detail required by Section 112(b)(12)(a). In addition, the policy establishes a formula, prescribed by the governor under Section 133(b)(2)(B), for the allocation of funds to local areas for dislocated worker employment and training activities.	WIA Section 111(d)(5) 112(b)(12)(A), (C), 128(b)(3)(B), 133(b)(2)(B), 133(b)(3)(B) 20 CFR 661.205(e)	See Below for Procedures on Allocation Formulas
24a.	X	For Dislocated Worker funding formulas, the state's policy and procedure includes the data used and weights assigned. If the state uses other information or chooses to omit any of the information sources set forth in WIA when determining the Dislocated Worker formula, the state assures that written rationale exists to explain the decision.	WIA Section 133(b)(2)(B) 20CFR 667.120(e)(2)(i)-(ii)	See Below
25.	X	The state established a written policy and procedure for how the individuals and entities represented on the SWIB help to determine the methods and factors of distribution, and how the state consults with chief elected officials in local workforce investment areas throughout the state I determining the distributions.	WIA Sections 111(d)(5), 112(b)(12)(A), 128(b)(3)(B), 133(b)(3)(B), 20 CFR 661.205(e)	See Below
26.	X	The state established written policy and procedures for any distribution of Funds to local workforce investment areas reserved for rapid response Activities, including the timing and process for determining whether a Distribution will take place.	WIA Section 133(a)(2), 134(a)(2)(A) 20 CFR 667.130(b)(2), (e)(4), 665.340	See Below

27.	X	The state established written policy and procedures to competitively award Grants and contracts for WIA Title I activities.	WIA Section 112(b)(16)	See Below
28.	X	The state established written criteria to be used by local workforce investment boards in awarding grants for youth activities, including criteria that the governor and local work-force investment boards will use to identify effective and ineffective youth activities and providers of such activities.	WIA Sections 112(b)(18)(B), 123, 129	See Below
29.	X	The state established written criteria for a process to award a grant or contract on a competitive basis for Summer Youth Employment Opportunities element of the local youth program, where a provider is other than the grant recipient/fiscal agent.	WIA Sections 123, 129(c)(2)(C) 20 CFR 664.610.	See Below
30.	X	The state distributes adult and youth funds received under WIA equitably throughout the state, and no local areas suffer significant shifts in funding from year-to-year during the period covered by this plan.	WIA Section 112(b)(12)(B)	See Below
31.	X	The state established written fiscal-controls and fund-accounting procedures and ensures such procedures are followed to ensure the proper disbursement and accounting of funds paid to the state through funding allotments made for WIA Adult, Dislocated Worker, and Youth programs, and the Wagner-Peyser Act.	WIA Sections 112(b)(11), 127, 132, 184 W-P Sections 9(a), (c) 20 CFR 652.8(b), (c)	See Below
32.	X	The state ensures compliance with the uniform administrative requirements in WIA through annual, onsite monitoring of each local area.	WIA Sections 184(a)(3), (4)	See Below
33.	X	The state follows confidentiality requirements for wage and education records as required by the Family Educational Rights and Privacy Act of 1974 (FERPA), as amended, WIA, and applicable Departmental regulations.	WIA Sections 184(a)(3), (4) 20 CFR 667.200, .400(c)(2), 667.410	See Below
34.	X	The state will not use funds received under WIA to assist, promote, or deter union orga-nizing.	WIA Section 181(b)(7) 20 CFR 663.730	See Below

ASSURANCES AND ATTACHMENTS - ELIGIBILITY

		STATEMENT	REFERENCE	DOCUMENTATION and COMMENTS
35.	X	Where the SWIB chooses to establish them, the state established definitions and eligibility documentation requirements regarding the "deficient in basic literacy skills" criterion.	WIA Sections 101(13)(C)(i) CFR 664.205(b)	See Below
36.	X	Where the SWIB chooses to establish them, the state established definitions and eligibility documentation requirements regarding "requires additional assistance to complete and educational program, or to secure and hold employment" criterion.	WIA Sections 101(13)(C)(iv) 20 CFR 664. 200(c)(6), 664.210	See Below
37.	X	The state established policies, procedures, and criteria for prioritizing adult title I employment and training funds for use by recipients of public assistance and other low-income individuals in the local area when funds are limited.	WIA Section 134(d)(4)(E) 20 CFR 663.600	See Below
38.	X	The state established policies for the delivery of priority of service for veterans and eligible spouses by the state workforce agency or agencies, local workforce investment boards, and One-Stop Career Centers for all qualified job training programs delivered through the state's workforce system. The state policies: 1. Ensure that covered persons are identified at the point of entry and given an opportunity to take full advantage of priority of service; and 2. Ensure that covered persons are aware of: a. Their entitlement to priority of service; b. The full array of employment, training, and placement services available under priority of service; and c. Any applicable eligibility requirements for those programs and/ or services. 3. Require local workforce investment boards to develop and include policies in their local plan to implement priority of service for the local One-Stop Career Centers and for service delivery by local workforce preparation and training providers.	WIA Section 134(d)(4)(E) 20 CFR 663.600 WIA Sections 112(b)(17)(B), 322 38 USC Chapter 41 20 CFR 1001.120-.125 Jobs for Veterans Act, P.L. 107-288 38 USC 4215 20 CFR 1010.230, 1010.300-.310	See Below

ASSURANCES AND ATTACHMENTS - PERSONNEL AND REPRESENTATION

		STATEMENT	REFERENCE	DOCUMENTATION and COMMENTS
39.	X	The state assures that Migrant and Seasonal Farmworker (MSFW) significant office requirements are met. Note: The five states with the highest estimated year-round MSFW activities must assign full-time, year-round staff to outreach activities. The Employment and Training Administration designates these states each year. The remainder of the top 20 significant MSFW states must make maximum efforts to hire outreach staff with MSFW experience for year-round positions and shall assign outreach staff to work full-time during the period of highest activity. If a state proposes that its State Monitor Advocate work less than full-time, the state must submit, for approval by the Department, a plan for less than full-time work, demonstrating that the state MSFW Monitor Advocate function can be effectively performed with part-time staffing.	WIA Section 112(b)(8)(A)(iii), 112(b)(17)(A)(iv) W-P Sections 3(a), (c)(1)-(2) 20 CFR 653.107(a), 107(i), 653.112(a), 653.108(d)(1)	See Below
40.	X	Merit-based public employees provide Wagner-Peyser Act-funded labor exchange activities in accordance with Departmental regulations.	W-P Sections 3(a), 5(b) 20 CFR 652.215 Intergovernmental Personnel Act, 42 USC 4728(b)	See Below
41.	X	The state has designated at least one person in each state or Federal employment office to promote and develop employment opportunities, job counseling, and placement for individuals with disabilities.	W-P Section 8(b) 20 CFR 652.211	See Below
42.	X	If a SWIB, department, or agency administers state laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser services.	W-P Section 8(b) 20 CFR 652.211	See Below

STATEMENT OF ASSURANCES CERTIFICATION

The State, Commonwealth, or Territory of Arizona certifies on the 6th day of September in 2012 that it complied with all of required components of the Workforce Investment Act, Wagner-Peyser Act, Older Americans – Title 5, and the Trade Adjustment Assistance Act. The State, Commonwealth, or Territory also assures that funds will be spent in accordance with the Workforce Investment Act and the Wagner-Peyser Act and their regulations, written Department of Labor guidance implementing these laws, and all other applicable Federal and state laws and regulations.

Janice K. Brewer

Governor

September 6, 2012

Date

ASSURANCE AND ATTACHMENT DETAILS

1. The 5-Year Integrated State Plan development was an energized collaboration. Face-to-face meetings with telephone and web-based participants provided brainstorming and discussion opportunities for individuals representing the diverse partnerships and stakeholders impacted by the Arizona workforce system. These face-to-face meetings included representatives from the Governor's Office of Education Innovation, Department of Economic Security, Arizona Commerce Authority, Community Colleges, Arizona Department of Education, Community-Based Organizations, Local Workforce Area Executive Directors, Vocational Rehabilitation, Youth Service Delivery, and State leadership for TANF, Wagner-Peyser and the Workforce Investment Act.

   On June 14, a draft copy of the Arizona Wagner-Peyser Agricultural Outreach Plan was sent to the MSFW stakeholders for review and comment.

   On June 22, 2012 the draft Integrated State Plan was available for public comment. An internal mailbox was set up to receive public comments. The following links were posted on both the Department of Economic Security's Intra and Internet sites:

   - https://www.azdes.gov/IWPinput2016/
   - http://www.azdes.gov/wia/
   - http://intranet/main.aspx?menu=452&id=528

   On June 22, 2012 stakeholders were notified via email that the State Plan was available for public comment and they were asked to share this information with their community partners and other interested parties.

   On June 22, 2012 a flyer was posted at 1717 W. Jefferson in Phoenix, Arizona.

   On June 23, 2012 and July 7, 2012 an ad ran in the Arizona Republic newspaper.

   On June 25, 2012 the Division of Aging and Adult Services sent the State Plan link to the eight Area Agencies on Aging.

   Public comments were reviewed and discussed by the Arizona Commerce Authority and the Department of Economic Security. The team discussed the draft plan with representatives from the San Francisco USDOL Regional Office who gave important guidance on areas that needed strengthened in the plan. A revised draft took was prepared that included recommendations made by the USDOL to further explain points within the plan.

The Education Committee of the Governor's Council on Workforce Policy reviewed the draft and provided feedback.

A presentation of the Plan, its contents, and significant changes to "business as usual" was provided to the Governor's Council on Workforce Policy on July 26, 2012 at their regularly scheduled Board meeting.

The full Governor's Council on Workforce Policy reviewed the draft and voted on its acceptance July 26, 2012. The Governor's Council on Workforce Policy approved the Integrated Plan.

Public comments were incorporated and an updated post was provided on-line for public information.

The Executive Committee of the Governor's Council on Workforce Policy approved the plan on August 2, 2012 and authorized the Arizona Department of Economic Security to submit the plan to the Governor for signature and then to USDOL.

A final plan was posted and available to the general public.

Summary of Public Comments:

- Concern that functional alignment and seamless service for both job seeker and business services will be difficult if State leadership is not 100 percent behind it and mandates the change to all State front-line workers.
- Co-location of WIA and Wagner-Peyser needs to take place.
- Local Boards must have authority to supervise and direct partner staff and design customer service requirements.
- Branding requirements should be statewide and solidify the aligned approach between Wagner-Peyser and WIA.
- Establishment of an Arizona Balanced Scorecard/Performance Management Dashboard is a good concept. We encourage the State to include all areas of the local workforce system in the planning and implementation.
- Measures selected for the Balanced Scorecard need to be supported by data collection system.
- Merging of local workforce areas needs to be a matter of local choice.

- Local areas should be part of the discussion and results of a program alignment concept.
- Arizona's goals should include areas outside of Phoenix.
- WIA Compliance Committee should provide oversight for standards and develop necessary checklists to evaluate and provide accountability.
- Return on Investment Committee should evaluate measures while the Compliance Committee provides programmatic oversight.
- Add Sector Strategy Partnerships to be included as part of functionally aligned business teams.
- If local areas have responsibility for business service teams they should have authority.
- Co-enrollments will be encouraged whenever appropriate – what does appropriate mean?
- How will ACA fit into business activities?
- Change Rapid Response contact in Yavapai to Teri Drew.
- Veterans Priority is TEGL #10-09.
- Please include support for vocational and career schools.
- Emphasis of assisting job seekers and existing/new businesses should promote economic growth that will benefit our State.
- Plan will achieve the Governor's vision.
- Be sure rebranding costs are considered.

2. Opportunity afforded to those responsible for planning or administering programs and activities covered in the plan to review and comment on the draft. See information provided in #1 above and the summary of public comments.
3. The final Integrated Workforce Plan and State Operational Plan are available and accessible to the general public. See information provided in #1 above.
4. The State Monitor Advocate was included in the development of the Agricultural Outreach Plan. His comments were part of the original document. The Agricultural Outreach Plan

went out for the 45-day comment period on June 14, 2012 to over 75 MSFW Partner Programs to include the WIA 167 National Farmworker Jobs Program grantees, agricultural employers, community programs providing services to MSFW's and family members, and educational institutions in the significant office areas.

5. The Annual Summary of services to Migrant and Seasonal Farmworkers was provided and included in the state plan.

6. **Policies: Board Meetings/Activities**
   WAC webpage
   http://www.arizonaworkforceconnection.com/gcwp/wia.asp

   State of Arizona Methods of Administration
   https://www.azdes.gov/uploadedFiles/Workforce_Investment_Act/wia_moa.pdf

7. SCSEP Summary of Public Comments Received

   The following were notified via e-mail of the posting of the request for public comment of the drafted plan: All eight Arizona Area Agencies on Aging, the Governor's Advisory Council on Aging and the SCSEP national grantees operating in Arizona. Each was notified to share the public comment period opportunity with their community partners. Comments were incorporated into the final plan and shared with these organizations. See #1 above for a summary of all public comments.

8. Statewide Policies/Guidance – Use of Funds

   WIA Guidance Letters
   https://www.azdes.gov/main.aspx?menu=322&id=2356

9. Conflict of Interest

   Training and Employment Guidance (TEGL) 35-10
   http://wdr.doleta.gov/directives/attach/TEGL/TEGL_35-10-Acc.pdf

   State of Arizona Methods of Administration
   https://www.azdes.gov/uploadedFiles/Workforce_Investment_Act/wia_moa.pdf

10. Appeals Process (LWIA Designation)

    - See below LWIB Recertification Criteria for the State Board PY2010 and PY2011.
    - Training and Employment Guidance Letter 37-10
      http://wdr.doleta.gov/directives/attach/TEGL/TEGL37-10ACC.pdf

11. Automatic or Temporary LWIA Designation

    Training and Employment Guidance Letter 37-10
    http://wdr.doleta.gov/directives/attach/TEGL/TEGL37-10ACC.pdf

12. CEO Appointment of LWIB Members

    - See below LWIB Recertification Criteria for the State Board PY2010 and PY2011.
    - http://www.doleta.gov/usworkforce/wia/finalrule.pdf CFR 661.325

13. LWIB Certification Every 2-Years

    - The Governor's Council on Workforce Policy follows the LWIB recertification policy developed by the WAC, as amended.

14. Alternative Entity in place of SWIB

    http://www.doleta.gov/usworkforce/wia/finalrule.pdf CFR 661. 210

15. Use of Alternative Entity (N/A for Arizona)

    http://www.doleta.gov/usworkforce/wia/finalrule.pdf CFR 661. 210(c)

16. State Assists LWIAs in Developing/Implementing One-Stop System

    - DES/WIA Home Page https://www.azdes.gov/wia
    - Public Law 134 (c)
      http://www.gpo.gov/fdsys/pkg/PLAW-105publ220/html/PLAW-105publ220.htm

17. Eligible Training Providers

    WGL 03-03
    https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/wgl2003_03-03.pdf

18. Program Accessibility

    WIA Methods of Administration - Element 5 Attachment 4
    https://www.azdes.gov/uploadedFiles/Workforce_Investment_Act/wia_moa.pdf

19. Outreach to Targeted Populations

    WIA Methods of Administration - Element 5 Page 2
    https://www.azdes.gov/uploadedFiles/Workforce_Investment_Act/wia_moa.pdf

20. Universal Access

WIA Methods of Administration - Element 4
https://www.azdes.gov/uploadedFiles/Workforce_Investment_Act/wia_moa.pdf

21. Non-discrimination Provision

WIA Methods of Administration - Element 5, Page 3
https://www.azdes.gov/uploadedFiles/Workforce_Investment_Act/wia_moa.pdf

22. Non-discrimination Data Collection

WIA Methods of Administration - Element 7, Page 2
https://www.azdes.gov/uploadedFiles/Workforce_Investment_Act/wia_moa.pdf

23. MOUs (Single – Area States Only) (N/A for Arizona)

WIA Methods of Administration - Element 3, Attachment
https://www.azdes.gov/uploadedFiles/Workforce_Investment_Act/wia_moa.pdf

24. Fund Distribution

WIA Sub-State Allocation Formulas for Arizona

The basic template for the sub-state allocation formulas in Arizona is taken from the formula descriptions utilized at the national level to distribute money to the states. In some cases the latest two years of data are collected and averaged to smooth one time fluctuations that can occur from year to year. Data availability determines the data sets utilized for Arizona allocations.

Arizona Youth Activities Formula
1/3 WIB relative share of total unemployed in areas of substantial unemployment (ASU) (12 months ending 6/30)

1/3 WIB relative share of excess unemployed (average of unemployment in excess of 4.5% in the last two calendar years)
1/3 WIB relative share of economically disadvantaged youth (Individuals age 16-21 meeting (or member of a family meeting) OMB poverty level or 70% of lower living standard income level) (Census 2000 data provided by ETA)

Arizona Adult Activities Formula
1/3 WIB relative share of total unemployed in areas of substantial unemployment (ASU) (12 months ending 6/30)

1/3 WIB relative share of excess unemployed (average of unemployment in excess of 4.5% in the last two calendar years)
1/3 WIB relative share of economically disadvantaged adults (Individuals age 22-72 meeting (or member of a family meeting) OMB poverty level or 70% of lower living standard income level) (Census 2000 data provided by ETA)

Options for Youth and Adult Allocations

For both the Youth and Adult allocation formulas in Arizona five options are provided in addition to the formula data. A ratio is created utilizing 70% of the formula data and 30% weighted to the ED data or ASU data or a percentage of each. The five options are presented below:

Option 1 – 30% weighted entirely to ED data
Option 2 – 30% weighted entirely to ASU data
Option 3 – 15% weighted to ED data and 15% weighted to ASU data
Option 4 – 22.5% weighted to ED data and 7.5% weighted to ASU data
Option 5 – 7.5% weighted to ED data and 22.5% weighted to ASU data.

For both the youth and adult allocation options the hold harmless provisions are applied for both the 90% minimum and the 130% maximum levels. In Arizona the hold harmless is calculated utilizing the WIB's relative share of an average of the prior two years funding.

Dislocated Workers Formula

The dislocated worker formula creates five scenarios utilizing four different data factors. Weights are assigned to each factor differently in each scenario. The five scenarios are listed below:

	OPTION				
FACTOR	1	2	3	4	5
Unemployment Concentrations	80%	50%	5%	1%	10%
Long-Term Unemployed	5%	1%	5%	1%	10%
Plant Closing/Layoffs	5%	1%	10%	3%	20%
Declining Industries	10%	48%	80%	95%	60%

The unemployment concentrations data comes from the Local Area Unemployment Statistics (LAUS) data. Two years of data are collected and averaged. The number generated is the excess unemployed above the state rate for the calendar year by WIB area.

The Long-Term Unemployed utilizes Unemployment Insurance (UI) data. The number of exhausted claimants by county is calculated for two calendars years and the average is used for the calculation.

The Plant Closings/Layoffs data is taken from the Mass Layoff Statistics (MLS) data. The number of initial claimants by county is calculated for two calendar years for mass layoff events as determined by the MLS program. The average of the two calendar years is used for the calculation.

The Declining Industries data is taken for the Quarterly Census of Employment and Wage (QCEW) data. Employment by industry is calculated for two three years periods. A comparison of the data at the beginning of the three year period and the end of the three year period is used to determine the amount of employment decline by county.

WIB level Data versus County Level Data

The data sets are created at the county level. Unemployment data for the 2000 Census is utilized to convert county level data into WIB level data. Ratios are created to extract tribal data from county level data. The extracted data by county is summed to generate the data for the two tribal areas. What is left is the county less tribal data that is utilized for the non tribal WIBS. The same methodology is utilized to generate a ratio to determine city of Phoenix and Balance of Maricopa County data.

24a. The State is in compliance and no documentation is required.

25. The State currently advises the GCWP and local areas regarding the proposed methods and factors for setting the formula distribution of WIA funds and solicits their input regarding these recommendations. These proposals are discussed at an open meeting of the GCWP. The GCWP then votes on which formula proposal to adopt. Currently, Arizona does not adopt separate policies but rely on the WIA Federal Regulations. The GCWP, together with DES and ACA, will begin forming and adopting state policies in the coming months after the State plan is adopted that will support individual assurances.

26. Rapid Response Distribution of Funds

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/wgl2003_01-03.pdf

27. Competitive Award of Grants and Contracts for WIA Title I Activities

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/WGL_02-08_chng_2.pdf

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/wgl2005_10-05.pdf

28. Youth Activity Awards

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/WGL_05-08_chng1.pdf

29. Summer Youth Employment Award

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/WGL_05-08_chng1.pdf

30. Equitable Distribution of Funds

The State utilizes the "hold harmless" provision to ensure funds are distributed equitably and there are no significant shifts in funding levels to a local area on a year to year basis. The GCWP has not adopted separate policies to support this assurance but have relied on WIA Federal Regulations. The GCWP, together with DES and ACA, will begin forming and adopting state policies in the coming months that separate each of the assurances.

31. Disbursement and Accounting of Funds

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/wgl2006_18-06.pdf

Clause 7.7 and clause 9.1 thru 10.2 in our WIA contracts

32. Compliance with Uniform Administrative Requirements – Monitoring Local Areas

Clause 8.4 in our WIA contracts

33. Wage and Education Records Confidentiality

Arizona is in compliance

34. State Will Not Use WIA Funds to Assist, Promote, or Deter Union Organizing

Arizona is in compliance

35. Eligibility Requirements – "Deficient in Basic Literacy Skills:

WGL 20-06
https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/wgl2006_20-06.pdf

36. Additional Assistance (Youth)

WGL 05-07, Change 2 Checklist

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/WGL_05-07_Change_2.pdf

37. Priority of Service (Public Assistance/Low-Income Applicants)

WGL 09-08; 04-09, Change 1; TEGL 19-11

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/wgl2008_09-08.pdf

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/WGL_04-09_chng1_declaration_of_limited_or_unlimited_wia_funds_for_adult_services.pdf

http://wdr.doleta.gov/directives/corr_doc.cfm?docn=6655

38. Priority of Service (Veterans and Qualified Spouses)

WGL 09-08

https://www.azdes.gov/InternetFiles/WIAGuidanceLetters/pdf/wgl2008_09-08.pdf

Training and Employment Guidance Letter 10-09 - Implementing Priority of Service for Veterans and Eligible Spouses in all Qualified Job Training Programs Funded in whole or in part by the U.S. Department of Labor (DOL)

http://wdr.doleta.gov/directives/attach/TEGL/TEGL10-09acc.pdf

https://www.azdes.gov/main.aspx?menu=258&id=4757

39. MSFW Requirements Are Met

Arizona has 5 MSFW significant offices and there is designated MSFW staff in each office.

The State Monitor Advocate is a full-time employee.

40. Merit Based – Wagner-Peyser Act Labor Exchange

Arizona is in Compliance.

41. Individuals with Disabilities

Every Employment Service staff member in Arizona is trained to provide service to persons with disabilities. This includes a referral process to RSA for anyone needing more intensive services. In addition, many of the comprehensive centers continue to have Disability Navigators funded by Wagner-Peyser.

42. Vocational Rehabilitation and Wagner-Peyser Cooperation

The Department of Economic Security oversees both the Vocational Rehabilitation and Wagner-Peyser programs. These programs work together to address the needs of disabled individuals in the One-Stop System. Vocational Rehabilitation is co-located in several comprehensive One-Stop locations throughout the State.

ATTACHMENT A
PROGRAM ADMINISTRATION DESIGNEES AND PLAN SIGNATURES

Name of WIA Title I Grant Recipient Agency:
Arizona Department of Economic Security
Address: 1717 W. Jefferson Street
Phoenix, Arizona 85007
Telephone Number: (602) 542-3667
Facsimile Number: (602) 542-3690
E-mail Address: TColombo@azdes.gov

Name of State WIA Title I Administrative Agency (if different from the Grant Recipient):
Arizona Department of Economic Security
Address: 1717 W. Jefferson Street
Phoenix, Arizona 85007
Telephone Number: (602) 542-3667
Facsimile Number: (602) 542-3690
E-mail Address: TColombo@azdes.gov

Name of WIA Title I Signatory Official:
James J. Apperson, Assistant Director – Division of Employment and Rehabilitation Services
Address: 1789 W. Jefferson Street
Phoenix, Arizona 85007
Telephone Number: (602) 542-4910
Facsimile Number: (602) 542-2273
E-mail Address: JApperson@azdes.gov

Name of WIA Title I Liaison:
Joel Millman, Workforce Investment Act Section Manager
Address: 1789 W. Jefferson Street
Phoenix, Arizona 85007
Telephone Number: (602) 542-1784
Facsimile Number: (602) 542-3690
E-mail Address: JoelMillman@azdes.gov

Name of Wagner-Peyser Act Grant Recipient/State Employment Security Agency:
Arizona Department of Economic Security
Address: 1717 W. Jefferson Street
Phoenix, Arizona 85007
Telephone Number: (602) 542-3667
Facsimile Number: (602) 542-3690
E-mail Address: TColombo@azdes.gov

Name and Title of State Employment Security Administrator (Signatory Official):
James J. Apperson, Assistant Director – Division of Employment and Rehabilitation Services
Address: 1789 W. Jefferson Street
Phoenix, Arizona 85007
Telephone Number: (602) 542-4910
Facsimile Number: (602) 542-2273
E-mail Address: JApperson@azdes.gov

Name and Title of the State Labor Market, Workforce Information, or Research Director:
Paul Shannon, LMI Director and Assistant Director, Budget and Resource Planning, Arizona Department of Administration
Address: 100 N. 15th AVE., Suite 440 Phoenix, AZ, 85007
Telephone Number: 602-542-1510
Facsimile Number: 602-542-2199
E-mail Address: Paul.Shannon@azdoa.gov

As the governor, I certify that for the State/Commonwealth of Arizona, the agencies and officials designated above have been duly designated to represent the State/Commonwealth in the capacities indicated for the Workforce Investment Act, title I, and Wagner-Peyser Act grant programs. Later changes in the designation of officials will be provided to the U.S. Department of Labor as such changes occur.

I further certify that we will operate our Workforce Investment Act and Wagner-Peyser Act programs in accordance with this Plan and the assurances herein.
Typed Name of Governor Janice K. Brewer

Janice K. Brewer

Signature of Governor

September 6, 2012

Date