

MEMORANDUM

FOR: Record

FROM: Executive Director, Delaware Workforce Development Board (DWDB)

DATE: February 7, 2020

SUBJECT: Policy 2020001 Funding Guidelines

1. Purpose. The Delaware Workforce Development Board (DWDB or the board) establishes these funding guidelines to supplement and complement its strategic vision. These guidelines not only establish a baseline of the service delivery for Delaware's publicly funded workforce system, but also serve as an annual policy document.

2. General. The DWDB will fund multiple types of programs throughout the year. These will include but are not limited to youth programs, occupational skills programs, post-secondary education programs, as well as targeted tier one and tier two programs.

All programming must ultimately lead to employment and/or increase the likelihood of a person being employed. The DWDB will not fund enrichment programs or education programs that do not directly lead to employment. The primary driver of accessible training is the state's Demand Occupation List, which is developed by the DWDB staff, with input from the Delaware Department of Labor, Office of Occupational and Labor Market Information (OOLMI), the core partners, and training providers. The DWDB intent is to align occupational expenditures with the governor's Pathways to Prosperity initiative, while at the same time, ensuring occupations usually found at technical and vocational schools are represented. Vocational programs prepare students by containing career related skill-based competencies, appropriate credential/license, work-based learning opportunity/immersion activity developed to highlight and reinforce the program goals. The DWDB, primarily in partnership with Delaware Department of Labor, Division of Employment and Training (DOL-DET), allots funds through its contracting process and the Individual Training Account (ITA) process.

3. Priorities. The DWDB, at its annual strategic planning retreat on October 8, 2019, established these priorities for the next four years: ⁱ

a. Resource Alignment. This is initially the DWDB main effort. The Financial Oversight Committee and the DWDB executive director will lead this effort. This goal ensures the DWDB funds projects, training, and innovative programs with funds from multiple sources. To clarify, the DWDB is looking for workforce partners from multiple agencies, to combine funds to achieve goals. Whenever possible, the DWDB will look beyond WIOA Dislocated Worker, WIOA Adult, WIOA Youth, and Delaware Blue Collar funds to finance activities in the public workforce system.

b. Pathways With An Expansion To Adult Pathways. This is a continuation and expansion of the goal from the previous four-year plan. The DWDB intends to continue weighting this initiative by assigning bonus points and aligning the demand occupation list with

this goal. The DWDB is expanding this goal to include adult pathways (often called Career Lattices). While there are sure to be more initiatives; the DWDB embraces – funds permitting – a policy that provides an additional ITA for clients who have completed an ITA training program and demonstrated success in the industry in which they were trained.

c. Wilmington Youth Initiative. The Wilmington Youth Initiative Committee is a Delaware Workforce Development Board initiative established to develop policies and initiatives to mitigate youth gun violence through workforce development initiatives and wrap around services for Wilmington youth in the city’s most dangerous areas.

d. Process Redesign. This is a continuation of the process redesign goal from the previous four-year plan. This goal includes executing the action plan developed by the DEMEP mapping process. The initial effort in this goal is the development of a robust referral system characterized by Delaware’s VOCAL initiative and research into developing a “Stitch Fix” Artificial Intelligence (AI) referral system. Process redesign is a long-range project including a mapping of business services.

e. Prison Re-Entry. The DWDB recognizes returning citizens are a workforce pool, which may need expanded workforce services to achieve employment which offers unsubsidized employment which ensures a living wage and ultimately mitigates recidivism.

4. Funds Allocations. This paragraph addresses DWDB priorities. Unlike previous years, the DWDB intends to list its priorities and provide broad general guidance relative to funding these priorities. The DWDB will rely on the Delaware Department of Labor, Division of Employment to make recommendations on the best way to fund priorities.

a. Initial Allocation Recommendations. RFP allocation recommendations will go to the DWDB Proposal Review and Certification Committee and the DWDB Executive Committee, which will review DOL-DET recommended initial funding allotments. The board is free to accept or reject, in whole or in part, the recommendations. DOL-DET (and partners as appropriate) will build work experience funds into allocation projection.

b. Wilmington Youth Initiative. DOL-DET will develop recommendations for funding at least one and no more than three pilot programs for the Wilmington Youth Initiative and initiate these programs as soon as possible, but no later than June 2020. The DWDB envisions this initiative funded through multiple agencies and sources (e.g. Train, Blue Collar, TANF), with DOL-DET being the coordinating arm. The DWDB has great interest in capturing lessons learned and directs the authors of the RFP to make this a key performance measure. At the completion of any pilot, the Wilmington Youth Initiative Committee will make recommendations to the DWDB on whether to expand, shrink, or end the Wilmington Youth Initiative. The DWDB expects this recommendation at the next DWDB meeting after the pilot ends.

c. Pathways Expanding to Adult Pathways. The DWDB is committed to pathways and the expansion of pathways for adult populations. As an initial step the board directs the DWDB staff to continue sculpting the Demand Occupation List to support occupations along approved pathways. The DWDB supports the DOL-DET “Fast Track Policy,” dated October 7, 2019 and revised November 15, 2019. This policy allows additional ITA training for a person

who successfully completes an initial ITA training and achieves and maintains employment in an industry associated with the ITA training. The DWDB asks DOE, DSS, and DOL-DET to coordinate for up to \$40,000 to conduct a landscape analysis of adult training programs.

d. Process Redesign. The initial effort in this goal is the development of a robust referral system characterized by Delaware's VOCAL initiative and research into developing a "Stitch Fix" Artificial Intelligence (AI) referral system. Process redesign is a long-range project including a mapping of business services.

e. Youth . There is a strong possibility US DOL will end the current waiver, giving Delaware the authority to split youth money 50% In School and 50% Out of school. DOL-DET and DWDB staff will develop contingency plans in case the split goes back to 25% for ISY and 75% for OSY. Planning will include NO emergency increase in Blue Collar allocations for ISY program beyond the 30% listed in paragraph 4f below.

f. Youth. In School Training. The DWDB directs that Blue Collar contributions to In-School-Youth programs not exceed 30 percent of any contract.

g. Youth. Out of School. The DWDB is satisfied with the current funding of these contracts.

h. Prison Reentry. Although this is not currently a specific goal for the Combined Four-Year State Plan, The DWDB believes the urgency of this issue will create opportunities and challenges that will need immediate addressing. The DWDB directs the core partners to begin contingency planning to serve this population. This planning should include the use of funding from multiple sources and the aggressive researching of grant opportunities using federal, state, Private, and philanthropic sources.

5. General Guidance. The DWDB and DOL-DET deliver youth services primarily by soliciting proposals from providers for both In-School-Youth and Out-of-School-Youth programming. The DWDB may also solicit proposals for adult and dislocated worker programming. The contract may be a mix of Federal WIOA funds, state Blue Collar Funds, and other funds which may become available through resource alignment activities. Even though the DWDB usually issues an RFP in early January for most of its contract services, the DWDB may issue other RFPs throughout the year as needed. It is the DWDB intent that partners and representatives of different agencies contribute and "braid" funds whenever possible when developing Requests for Proposal (RFP). The DWDB issues the following guidance.

a. The DWDB approves the RFP process and delegates authority to the Consolidation Committee to establish a priority list for funding programs should additional funds become available.

b. The Executive Director of the DWDB and the Director of the DOL-DET will reallocate returned funds to programs who are meeting or exceeding performance measures. Returned funds will not be reallocated to programs not meeting their measures as outlined in current contracts. The DWDB envisions reallocations will be proportional between successful programs. However, the DWDB Executive Director and the DOL-DET Director have latitude to

reallocate funds disproportionately if there is an urgent need by a provide. If monies other than returned funds become available, an additional RFP will be issued.

c. Panels have the discretion to fund proposals in whole, or in part, or not at all. When funding programs, RFP panels will – to the greatest extent possible – fund programs in full and not divide limited funds between programs.

d. No more than fifty percent of the Blue-Collar Funds may be used for Youth Programs. The remaining Blue-Collar funds will be used to fund adult training program and to underwrite such other innovative training programs the board finds appropriate.

e. Year – to – Year RFP Process. The board directs the DWDB staff to annually update “The Steps To RFP Success” Letter of Instruction prior to the December Proposal Review Certification Committee (PRCC) meeting and the Executive Committee meeting.

6. Awarding Bonus Points for RFP Submissions. There is only one change to the DWDB bonus point allocation for RFP submissions. The Delaware Department of Labor, Division of Employment and Training may add an additional category worth five bonus points without DWDB approval. These bonus points will be listed in the RFP. The DWDB believes the bonus point allocation for Promise Communities and Pathways is still relevant.

a. Promise Communities. Promise communities are defined as those underserved communities in which:

- 28.9 % of the children live in poverty;
- 44.9% of residents are considered low income;
- 37.3% of the children are proficient in reading by 3rd grade;
- 18.2% of the population 25 and over have a HS diploma;
- 10% unemployed; and
- 66.5% receive some form of public assistance

The DWDB further defines promise communities as these geographic areas/zip codes:

Promise Community	Zip Codes	*Low Income Population
City - Eastside	19801, 19802	19,875
City - Westside	19805	19,052
NCC - Rte 40	19701, 19702	19,389

NCC - Rte 9	19720	20,086
Kent - North	19901,19904,19977	30,238
Kent - South	19934, 19943,19952	11,596
Sussex - West	19933, 19956, 19973	17,659
To Sussex - Central	19947, 19966	16,111
8	17	154,006

b. Pathways. The DWDB has fully embraced the pathways model and believes skills taught at the state’s educational and vocational/technical institutions provide relevant pathways. The DWDB generally defines pathways as a set of curricula focused on a specific industry-based “pathway,” paired with opportunities to gain valuable workplace experience while still in high school, which helps students graduate with a head start on a college degree, or gain qualifications needed to go to work immediately.

Pathways apply to Adult, Youth, and Dislocated Worker training program funding. The ultimate goal for any pathways program is mid-wage employment. A career pathway is a non-duplicative sequence of academic and technical courses that includes secondary- and postsecondary-level content and opportunities for participants to apply knowledge in the classroom and the workplace. Career pathways culminate in industry-based credentials and/or postsecondary degrees and have the following characteristics. The Common Elements of Career Pathways are:

- **Sector-Based Engagement Strategies:** Education and training aligns with the academic and technical skills needed by Delaware employers. Employer engagement occurs within targeted industry sectors, representing high-growth potential to the state or regional economies, to determine prerequisite employment and career progression skill requirements for in-demand occupations.
- **Stackable Educational and Training Options:** Education and training includes the full range of secondary, adult education, and postsecondary education programs, including registered apprenticeships. Career pathways are a non-duplicative progression of courses clearly articulated from one level of instruction to the next and provide opportunities to earn high school credit, adult basic education, and postsecondary credit, culminating in industry-recognized credentials and/or an associate or bachelor’s degree.
- **Contextualized Learning:** Education and training focuses on academic and technical content. Curricula and instructional strategies are designed to engage employers through authentic work experiences and to help youth and adults attain work-readiness skills.

- Accelerated/Integrated Education and Training: Career pathways combine occupational skill training with adult education services, give credit for prior learning, offer remedial services as needed, and apply strategies that accelerate the educational and career advancement of youth and adults.
- Industry-recognized Credentials: Education and training programs lead to the attainment of industry-recognized credentials and/or an associate or bachelor’s degree that has value in the labor market.
- Multiple Entry and Exit Points: Career pathways provide participants with opportunities to transition between formalized education and training programs and competitive employment, thus allowing participants of varying skill levels to pursue education or training to enter or advance in a specific sector or occupational field.
- Wraparound Services: Career pathways incorporate academic and career counseling and support services. Services are targeted at points of transition, provide individualized career plans, and support communities that have poverty rates. Further, career pathways provide supports for nontraditional learners and individuals with barriers to employment.

7. Requests For Proposal (RFP) Procedures. This paragraph presents an overview of some of this year’s most significant changes:

a. The DWDB delegates the authority to approve funding to the Consolidation Committee; a member of the executive committee will chair the Consolidation Committee.

b. The RFP process will consist of two rounds; a written review and an oral clarification presentation. The submitted written proposal is worth 80 percent of the total score and the oral clarification presentation is worth 20 percent of the total score.

c. The DWDB will hold a single consolidation day at an offsite venue. The DWDB staff will coordinate logistics for the event. ⁱⁱ

d. The DWDB will award one-year contracts, with automatic one-year renewal for those contracts meeting performance measures. The contracting will evaluate a contract whose training periods extend beyond a program year using historic performance or other “reasonable” criteria established by the DOL-DET contracting team. The DWDB may – at its discretion – extend contacts.

e. RFP Panels will award bonus points as listed below.

1. Promise Communities -- 10 Bonus Points
2. Pathways Programs -- 6 Bonus Points
3. Level resources – 5 Bonus Points
4. Five points at the discretion of the DOL-DET

f. The DOL-DET, in partnership with DWDB, will conduct a mandatory proposer orientation.

8. Contract guidance. This section issues guidance for all contracts.

a. To the extent possible, definitions provided in the federal law and regulations are the definitions for all sources of funds, including Blue Collar, except the definition of eligibility.

b. The DWDB may, at its discretion, establish local performance measures for specific populations (e.g. Re-entry, underserved youth, and adults) when using state dollars. The DWDB will ensure local performance measures are established in an RFP document as appropriate.

c. Prior to executing a contract, proposers without current contracts, will provide a copy of their most recent tax return, or a copy of a prepared financial statement signed by a third-party financial professional to establish their fiscal soundness and eligibility. In the event a financial statement is too complicated for a layman's analysis, the Financial Oversight committee will evaluate the document.

d. All Providers will offer training which provides the client with the opportunity to earn a Diploma, or a GED, or Industry Recognized Certificate as defined in USDOL TEGL 10-16,

e. Basic language and numeric skills training, when appropriate, will be provided concurrently with skills training. As part of the RFP, proposers will be asked to describe their plan to meet this requirement.

f. The DWDB requires programs with a combination of activities; it prefers programs combining classroom training including internship, and/or clinical, and Participants shall be paid for all work experiences actual work experience.

g. Contractors will provide retention services, as necessary, including during the day and evening to meet performance measures for 12 months following exit except for Adult Blue Collar. Adult Blue-Collar exits will require 6 months of follow-up.

h. The proposal rating criteria will favor those proposals that demonstrate the ability to operate quality, cost effective training programs that result in high placement rates, long term job retention, and credential attainment. Criteria may be expanded from time-to-time to reflect board priorities.

i. DWDB will strive to provide training based on each county's needs and in reasonable proportion to the population. This is a goal, not a hard and fast rule; submissions by geographic area may not support this.

j. Program providers shall define their staff qualifications in the proposal for any position for which they are requesting funding.

k. Proposers will ensure clients use Delaware Job Link to find a job. This will include a current updated resume built in the Delaware Job Link system.

l. Blue Collar adult training contracts will be hybrid. The normal standard for the hybrid is to fund as a 60% Cost Reimbursement and a 40% Performance Based contract.

m. DOL-DET and core partners will ensure all work experience requirements are paid.

9. Specific Youth Contract Guidance. This section provides general guidance on all youth contractors/proposers

a. Youth programs will be contracted. Proposals will be solicited for Out-of-School Youth and In-School Youth programs.

b. In-School and Out-of-School Youth programs may be funded with Blue Collar and/or WIOA funds.

c. Youth proposers will identify the credential obtained when a program is successfully completed.

d. The Youth Council, will provide oversight for contracted youth programs on behalf of the board.

e. A member of the Youth Council will staff the youth RFP panels.

f. Contracted youth programs will:

1. Provide an objective assessment of the academic levels, skill levels, and service needs of each participant, and developmental needs of such participant, for identifying appropriate services and career pathways for participants.

2. Develop service strategies for each participant that are directly linked to one or more of the indicators of performance that shall identify career pathways that include education and employment goals (including in appropriate circumstances, nontraditional employment), and appropriate services for the participant considering the assessment conducted.

3. Proved preparation for postsecondary educational and training opportunities.

4. Provide strong linkages between academic instruction and occupational education that lead to the attainment of recognized postsecondary credentials.

5. Prepare clients for unsubsidized employment opportunities, in appropriate cases.

6. Develop activities leading to the attainment of a secondary school diploma or its recognized equivalent, or a recognized postsecondary credential.

7. Create effective connections to employers, including small employers, in in-demand industry sectors and occupations of the local and regional labor markets.

8. Provide at least twenty – five percent of their allocation to provide paid work experience activities.

g. Funded youth providers are not required to directly provide all program elements. All funded providers are required to ensure youth have access to all program elements:

1. Tutoring, study skills training, instruction, and evidence-based dropout prevention and recovery strategies that lead to completion of the requirements for a secondary school diploma or its recognized equivalent (including a recognized certificate of attendance or similar document for individuals with disabilities) or

2. for a recognized postsecondary credential.

3. Alternative secondary school services, or dropout recovery services, as appropriate.

4. Paid work experience that has as a component academic and occupational education, which may include – (i) summer employment opportunities and other employment opportunities available throughout the school year; (ii) pre-apprenticeship programs; (iii) internships and job shadowing; and (iv) on-the-job training opportunities.

5. Occupational skill training, which shall include priority consideration for training programs that lead to recognized postsecondary credentials that are aligned with in-demand industry sectors or occupations.

6. Leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive social and civic behaviors, as appropriate.

7. Supportive services.

8. Adult mentoring for the period of participation and a subsequent period, for a total of not less than 12 months.

9. Follow-up services for not less than 12 months after the completion of participation, as appropriate.

10. Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral, as appropriate.

11. Financial literacy education.

12. Entrepreneurial skills training.

13. Services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area, such as career awareness, career counseling, and career exploration services.

14. Activities that help youth prepare for and transition to postsecondary education and training.

15. Education offered concurrently with – and in the same context as – workforce preparation activities and training for a specific occupation or occupational cluster.

10. Performance Measures. The DWDB will only approve and/or renew ITA programs which meet or exceed Delaware’s federally mandated performance measures. For Credit programs at open enrollment degree granting institutions are exempt from the credential attainment requirement measure when applying for initial inclusion on the Eligible Training Provider List (ETPL). For credit programs at degree granting institution on the ETPL will meet all performance measures when applying for subsequent renewal. Even so, the DWDB recognizes that some priority populations may require special considerations. The DWDB may at its discretion – on a case-by-case basis – allow providers serving targeted population some latitude during initial eligibility determination and subsequent renewal. Delaware’s Performance Measures are:

Adult and Blue Collar Measures

Employment Rate 2 nd Quarter after exit	73%
Employment Rate 4 th Quarters after exit	74.7%
Median Earns 2 nd quarter after exit	\$4575
Credential Attainment	50%
Measurable Skills Gain	Baseline

Dislocated Worker

Employment Rate 2 nd Quarter after exit	77.4%
Employment Rate 4 th Quarters after exit	77.5%
Median Earns 2 nd quarter after exit	\$6,300
Credential Attainment	50%
Measurable Skills Gain	Baseline

Youth Measures

Employment Rate 2 nd Quarter after exit	66.7%
Employment Rate 4 th Quarters after exit	55%
Median Earns 2 nd quarter after exit	Baseline
Credential Attainment	77%
Measurable Skills Gain	Baseline

10. ITA General Rules. This paragraph provides general policy guidance.

a. The DWDB-approved ITA process manual will govern the steps for initial eligibility and subsequent renewal of providers seeking inclusion or maintaining their status on the Eligible Training Provider List.

b. The DWDB Management Analyst will annually update the ITA Manual in May for approval by the Proposal Review and Certification Committee and the Executive Committee in June of each year.

c. American Job Centers, when appropriate, will assess career service applicants in reading and math skills.

d. American Job Center staff will determine and document eligibility for individuals involved in a career/training service.

e. Any local American Job Center office providing federal services that fails to achieve 85% of its goal in any year may be required to have a correction action plan.

9. I am the point of contact for this policy at 302-761-8163 or William.Potter@state.de.us.

William J. Potter
Executive Director
Delaware Workforce Development Board

ⁱ After the October Planning Session it became apparent to the DWDB and DOL-Det staff that a Reentry goals was necessary.

ⁱⁱ See the Steps to RFP Success Letter of Instruction for further guidance.