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DEPARTMENT OF COMMERCE

ELLEN MCNAIR
SECRETARY OF COMMERCE

November 19, 2024

Acting Secretary Julie A. Su
U.S. Department of Labor
200 Constitution Avenue
Washington, D.C. 20310

Dear Acting Secretary Su:

RE: State of Alabama Program Year 2023 WIOA Titles I and III Annual Report

We are pleased to submit the enclosed State of Alabama's *Program Year (PY) 2023 Workforce Innovation and Opportunity Act (WIOA) Annual Report*. This *Report* contains the Alabama PY 2023 program performance data required under USDOL Training and Employment Guidance Letter 05-18 dated November 7, 2018, which states were instructed to use for the PY 2023 *WIOA Annual Report*. Additionally, this *Report* details other WIOA activities conducted in Alabama during PY 2023.

Alabama continues to focus on collaboration and integration of workforce development resources throughout the state. The State looks forward to providing Workforce Innovation and Opportunity Act-funded workforce development programs to meet employers' demands for a skilled workforce.

Please direct any questions regarding the Alabama Workforce Innovation and Opportunity Act *PY 2023 Annual Report* to Tammy Wilkinson at (334) 242-5154 or Kevin Kidd at (334) 590-2782.

Sincerely,

Ellen McNair, Secretary
Department of Commerce

EM:MR:TW:jp

Enclosure

c: Julian Hardy
Corey Pitts
Michelle McKinney

State of Alabama
Workforce Innovation and Opportunity Act, Titles I & III
Program Year 2023 Annual Report

Submitted by

Alabama Department of Commerce, Alabama Department of Labor

Prepared for Julie A. Su, Acting Secretary of Labor
U.S. Department of Labor

November 19, 2024

Prepared per WIOA Section 185(d) Specifications

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Overview

During Program Year (PY) 2023, Alabama focused on the needs of workers and employers in the State, including job skills, education, relevant occupational skills training, and work-based learning to give individuals the skills needed to obtain a job. Workforce development continues to prepare individuals with the occupational skills necessary to work. It involves recruiting, placing, mentoring, and counseling potential employees and combining education, employment, and job training efforts.

Alabama's workforce development system is working to manage labor shortages for skilled workers, increase the business community's satisfaction with education and training, ensure that workforce development activities are integrated into Alabama's economic development strategies, and assist special populations with entering the workforce and becoming self-sufficient.

A continuous evaluation of industry needs and programs that support those needs enables Alabama to provide the most up-to-date and innovative training available with the funding provided through the Workforce Innovation and Opportunity Act (WIOA). For PY 2023, the State continued to collect data for WIOA performance measures. The State reported on all measures put into place under WIOA, including Youth Median Earnings (2nd Quarter post-exit), and Adult, Youth, and Dislocated Worker Measurable Skills Gains (Current Quarter). Alabama also began reporting on the Effectiveness Serving Employers measure in PY23. State and local program administrators have benefited as Alabama has a fully integrated workforce system that concentrates on these demand-driven accountability measures.

The Alabama Career Center System, a proud partner of the American Job Center Network, through its network of fifty-seven (57) Career Centers, delivers workforce development services to employers and employees eligible for and in need of these services. Each Career Center System location provides customers with needed self-service and customized career services and access to education, job training, employment referral, and other workforce development services. Prospective employees may obtain career counseling and individual case manager assessment services. Those with marketable occupational and employable skills may not require Career Center System services beyond direct placement assistance. Individuals who need to be skilled, reskilled, or upskilled receive the required training.

Regarding adult programs, funds are being used for On-The-Job Training (OJT) where up to fifty (50) percent of an eligible employee's salary (considered a training cost) for up to six (6) months can be reimbursed to an employer. There were also active Incumbent Worker agreements for the for-profit, non-profit, and governmental employers for training (funded with the Governor's set-aside funds to help current employees get trained in up-to-date, in-demand skills). Funds continue to pay for tuition and books for Dislocated Workers, Adults, and Youth to attend a two-year college or other postsecondary institutions to learn new skills needed to re-enter the workforce. Additionally, short-term, job-driven training was provided for Dislocated Workers and Adults to help them acquire the skills necessary to re-enter the workforce as quickly as possible. These services were made more accessible due to the ability to transfer funds (up to 100 percent) between the Adult and Dislocated Worker programs. During the Program Year 2023, the greatest need was in the Adult program.

The U.S. Department of Labor (USDOL) is the funding agency for Commerce's WIOA funds, and states have until June 30, 2026, to spend all the PY 2023 workforce funds.

The work of State leaders, coupled with the resources and programs available, has increased the economic prosperity and educational attainment of Alabamians. This Annual Report documents Alabama's record of achievement in its 22nd full year of these programs.

Waiver Requests

The State of Alabama had one waiver in place during PY 2023.

Waiver Allowing the Use of Individual Training Accounts (ITAs) for In-School Youth, Ages 14 – 21

This waiver of 20 CFR 681.550 allowed the state to offer Individual Training Accounts (ITAs) to in-school youth. The waiver enhanced the state's ability to serve in-school youth with ITAs. Expected programmatic outcomes included:

- Serving 100 in-school youth per year who would not be eligible for an ITA otherwise (i.e. as an Adult participant)
- 50% of in-school youth enrolled in ITAs will earn a credential
- 45% of in-school youth enrolled in ITAs will obtain a Measurable Skills Gain

This waiver has not boosted participation numbers as expected. No youth participants used this waiver in PY23. As included in the March 2024 PY24 – PY28 State Plan submission, this waiver will remain available in PY 2024.

Effectiveness in Serving Employers' Performance Measures

A continuous evaluation of client and stakeholder needs and programs that support those needs enables Alabama to provide the most up-to-date and innovative training available with the funding provided through the Workforce Innovation and Opportunity Act (WIOA). The United States Department of Labor has used the Retention with the Same Employer metric to document states' efforts to improve employer service through WIOA programs. In PY2023, Alabama began formal submission of this metric in our quarterly and annual performance reports. Alabama has also researched sector targeting and penetration, training completion, credential effectiveness, and labor force participation rate.

Retention with the same employer - addresses the programs' efforts to provide employers with skilled workers.

- This approach helps determine whether the core programs serve employers effectively by improving the skills of their workforce and decreasing employee turnover.
- Number of participants who exited who were employed by the same employer during the 2nd quarter and 4th quarter after exit/number of participants who exited during the reporting period.
- Captured by case management follow-up, state UI, and SWIS wage records.

In PY2023, Alabama's Workforce Development system served 7,301 employers with support services and information, assisted 11,299 employers with recruitment assistance, and 1,788 employers with training services. Alabama only had 18 employers who were downsizing or closing and utilized Rapid Response assistance to assist those employers. As for Retention with the same employer during the second and fourth quarters after exit, Alabama had 17,828 participants who remained at the same employer out of 28,467 total participants served, about 62.6%. Alabama served 10,413 repeat employers out of 40,992 for a Repeat Business Customer rate of 25.4%.

WIOA Section 116(e) Process Evaluation

During PY 2023, Alabama initiated and furthered several new and ongoing process evaluation activities as defined under WIOA Section 116(e).

- Ongoing evaluations of WIOA Title I Adult, Dislocated Worker, and Youth program performance
- Implementation of discretionary grant performance evaluation policy
- Development of the State Evaluation Plan and revisions to the sanctions policy
- Continued improvement of Quarterly Reporting Analysis element accuracy
- Research into the Employment Related to Training metric
- Research into the Labor Force Participation Rate
- Further development of the One Workforce project, including the development of a unified intake portal across Alabama workforce systems
- Analysis of credential attainment across all Alabama state agencies
- Continued data validation projects to ensure WIOA element accuracy
- Interfacing with partner agencies to secure performance and priority data
- Interfacing with state workforce agencies to create the Talent Triad unified intake portal
- Further development of the WIOA Provider Performance evaluation process
- Fiscal and Programmatic Auditing and Technical Assistance
- Continuous training for all stakeholders and employees, including:
 - State and Local Workforce Board Training
 - Administrative and Case Management Training
 - Youth Provider case management training
 - Monitoring and Oversight Training

All current and planned evaluation activities are outlined on the WDD website at <https://wioa-alabama.org/information-management-reporting-section/>

During PY 2023, several efforts to coordinate projects with WIOA, partner agencies, and workforce boards solidified a thoroughly developed working relationship with all required and optional partners and stakeholders of the workforce system, culminating in the "One Workforce" working group. Initially a policy planning group of program administrators, the One Workforce group is now leading a project to unify case management systems for statewide workforce programs with a state-designed common intake portal (the Talent Triad system).

The State of Alabama does not publicly make the evaluation reports developed by the State Reporting Section or the Program Integrity Section available to protect restricted participant information and ensure compliance with digital privacy requirements. These sections are tasked with creating and retaining these deliverables. WDD management has the authority to disseminate such reports. Detailed information on the roles and responsibilities of these sections can be found at the www.WIOA-alabama.org website.

Information/Research requests, compliance reviews, and similar State and Federal evaluations are processed through the Workforce Development Division's State Reporting Section. The Section is responsible for administering the AlabamaWorks! system, preparing for on-site visits and compliance reviews, developing policy and procedures for research/evaluation, developing/maintaining workforce data for evaluation activities, researching workforce and training needs, analyzing workforce processes, delivering performance and evaluation reports, and providing technical assistance through AlabamaWorks! Helpdesk.

Per TEGL 23-19, Change 1, "States and outlying areas must summarize their data validation methodology, policies, and procedures in their annual narrative performance reports." Data validation ensures the accuracy of reported data through electronic or physical review of participant records and their supporting documentation. It is performed in Alabama twice a year. Validation is administered by the State Reporting Section, with validators pulled from both the Section and the Program Integrity Section. Validation is followed by Data Reconciliation, performed by the Section, which is the process of correcting errors found in validation and developing policies and procedures to prevent similar errors from reoccurring. The Section then proposes new policies/procedures to management and trains the state staff in these areas.

WDD has assigned data validation to the State Reporting Section. In PY2023, Alabama performed two data validation projects published for the staff and administrators of Title 1 activities. The annual validation summary report for PY23 is attached to this document (see Attachment B - *PY 2023 Data Validation Report*).

Customer Satisfaction

Alabama's Career Centers launched a formal standardized Customer Satisfaction Survey for job seekers and employers in PY 2017. The survey is a written survey requesting feedback for the individual Career Center that provided services and is included in the Alabama Career Center System Guide to Customer Services. Surveys are provided to both employers and individuals seeking workforce-related assistance. Career Centers attempt to contact customers to address any issues discovered from the surveys.

During PY 2023, of the 7024 job seekers responding to the survey, almost 79% considered the services exceptional (an increase of 2% from the previous year), and 98% said the Career Center services were good or better. Of the 1174 employers who responded to the survey, 100% said the Career Center services "met expectations."

Feedback from the surveys is monitored in each Career Center, and changes are implemented as needed as part of the Center's continuous improvement plan. Additionally, goals are established to promote continuous improvement as part of each Career Center Certification process.

Achievements

The Workforce Development Division (WDD) has three ongoing outreach programs, which WDD believes have boosted traffic to the self-service portal. The portal helps users set up an account on Alabamaworks.com and start a job search or determine if they are eligible for free job training.

Comparing portal user figures from mid-2023 to mid-2024 shows an increase of at least 40 percent in the number of people using the portal.

Outreach Fliers

The WDD started in late February 2024 by contacting local utility systems and asking them to partner with Commerce by placing fliers in utility bill envelopes, electronic billing, or social media.

The fliers include a website and QR code that takes users to the self-service portal, where they can seek training and assistance.

WIOA partner, the Alabama Department of Labor, prints the fliers, which WDD ships to the utility or its billing vendor for placement in utility bill envelopes.

By the end of PY 23, hundreds of thousands of fliers had been directly distributed to Alabamians.

Enlisting Help from WIOA Partners, other Agencies, and Associations

In the spring of 2024, WDD also started contacting state agencies and Community Action Agencies (CAAs) to ask them to make fliers available to guests/clients at their offices statewide. Commerce contacted Human Resources, Public Health, and CAA offices individually and mailed them the number of fliers they requested.

WDD also has worked with food and clothes donation sites across Alabama to put thousands of fliers into the hands of Alabamians.

Kiosks

Alabamians frequent libraries, HBCUs, and non-profits using new self-service portals to find jobs and apply for free training. WDD has established dozens of self-service portals across Alabama. On the alabamaworks.alabama.gov site, users can review job openings, apply for free job training, or take advantage of Alabama Career Center planning services. The portals direct users to the alabamaworks.alabama.gov site.

Sector Strategies and Career Pathways

In PY 2023, the Local Areas continued applying industry-focused sector strategies and career pathways. In partnership with the Regional Workforce Council (RWC) for each Local Area, the targeted industry was engaged throughout the process and provided valuable feedback on the strategic plans. The success of the LWDAs workforce models was built on cluster engagement and direction. LWDAs met quarterly to focus on employment and training needs in their respective regions. Workforce Development Board and Regional Workforce Council meetings are held on the same day to increase participation because the boards share many of the same members. Some of the clusters the LWDAs focused on include Advanced/Modern Manufacturing, Aerospace, Automotive, Agriculture and Forestry, Aviation, Construction, Health Care, IT/Cyber Security, Logistics/Transportation, Services – Education, Retail, Lodging, and Food Service, and Utilities. LWDAs focused on several of these clusters depending on the industries located in the area. Through these clusters, needs were assessed, and working groups were formed to work on projects or initiatives. Even though the strategic work was industry-driven, the LWDAs also had tremendous engagement with education partners and service providers, who were also engaged at all levels of the process.

To connect employers and job seekers, strategies include partnering with the Regional Workforce Council, local schools, and local businesses to conduct Worlds of Work Career Exploration events (WOW), allowing local in-demand industries to reach in-school youth. The job fairs connecting employers and job seekers have allowed businesses to reach various job seekers, including Adults, Dislocated Workers, and Youth.

The focus on sector strategies and career pathways can also be seen in the Requests for Proposals (RFP) for WIOA programs by various local areas. All potential proposals aligned with the main industry clusters of the local area. RFPs also require potential proposals to provide training allowing program participants to enter a career pathway and advance within that industry cluster.

In addition to offering Occupational Skills Training Programs directly, all seven LWDAs have an Individual Training Account (ITA) Program. Participants in the program must choose short-term training in line with high-demand occupations in line with the industry sectors in the state. ITAs provide educational or occupational skills training services, and they are currently the primary medium to deliver WIOA training services. ITA services may only be provided to WIOA participants by those training providers who have

applied for placement and have been placed on the Eligible Training Provider List. The normal limitation on the length of training for regular WIOA-funded ITAs is the last four (4) semesters of a long-term ITA. The LWDA's provide all ITA services for adults and dislocated workers.

Prospective education and/or occupational skills training providers must meet specific criteria to obtain and retain WIOA training provider status. Postsecondary education institutions, which offer instruction leading to generally recognized certification in high-demand occupational skills, and other institutions providing similar vocational instruction services are among the entities that may apply for inclusion on the state's Eligible Training Provider List.

Youth, including in-school youth, served through the ITA in-school youth waiver, are eligible for ITAs through each LWDA's youth program. This program offers enrollment to programs offered by two-year colleges or other eligible training providers' occupational skills training classes. Training is generally restricted to occupational fields demanded by the local labor market. Participants are provided the appropriate supportive services, which may encourage them to remain in their respective training programs through completion. Participants receive job placement assistance upon receipt of occupational skills achievement certification.

The ITA service delivery model continues to be monitored, revised, and implemented with ongoing success. Based on the principle of customer choice, the ITA is designed to allow each participant to develop a career strategy and to pursue training based on the most effective track for his / her individual interests and skills. During PY 2023, approximately 1,055 participants were enrolled in ITAs through regular formula WIOA funds.

Work-Based Learning

The State of Alabama, through its Incumbent Worker Training Program (funded through the Governor's Set-Aside funds), offers employers the opportunity to receive reimbursement for Related Technical Instruction expenses such as tuition for Registered Apprentices, who are also incumbent workers. The Business Services Representatives in the Alabama Career Center System and the Alabama Office of Apprenticeship present this opportunity to employers.

The State of Alabama also continued to connect apprentices with WIOA training to support their apprenticeships through the Individual Training Account Program (ITA) and On-the-Job Training (OJT) Program. In PY23, nine (9) apprenticeships were co-enrolled in WIOA programs.

On-the-Job Training

Local Workforce Development Areas (LWDAs) across the state offer On-the-Job Training (OJT) programs, providing opportunities for individuals to gain new job skills while helping employers save on training costs. A Business Services Representative (BSR) from the local Career Center or a Workforce Innovation and Opportunity Act (WIOA) administrative entity collaborates with the employer to develop a training plan that outlines specific objectives and goals for the trainee(s).

In Program Year (PY) 2023, employers received up to 50% reimbursement of hourly wages paid to OJT trainees. The training periods, negotiated in advance, typically ranged from six (6) to twenty-six (26) weeks, depending on the participant's skill level and the nature of the training occupation. This program addresses the employment needs of local businesses by providing them with a skilled workforce, ultimately boosting productivity and profitability.

Under this program, two OJT agreements exist: *New Hire OJT* and *Performance-Based OJT*. The primary goal of both is to ensure permanent employment for trainees upon successful completion of their training.

- *New Hire OJT*: Employers may receive up to fifty (50) percent reimbursement of hourly wages paid to newly hired trainees. This incentive encourages employers to hire individuals lacking all the necessary skills for a job, as the OJT program helps them acquire skills that improve long-term employment prospects.
- *Performance-Based OJT*: This program is designed to provide short-term training to multiple employees. The specifics of the training, such as hours and number of trainees, are negotiated with the Workforce Development Division (WDD) for six of the Governor’s local workforce development areas. Employers are eligible for reimbursement only if the trainee completes the agreed training hours plus one additional day and remains employed. Each Performance-Based agreement is tailored to meet the employer’s needs at that time.

In addition to WIOA funds, during PY 2023, the WDD also provided OJT and Incumbent Worker Training to additional individuals through a separate grant from the U.S. Department of Education’s Reimagine Workforce Preparation fund. The Alabama Workforce Stabilization Program approved dozens of employers for OJT and provided training to approximately 2,248 individuals. Training was for up to 225 hours, reimbursed at \$9.00 per hour. All positions were in high-demand industries with a minimum wage of \$12.00 per hour. 3,725 incumbent workers also received training through the program for in-demand skills. A total of 7,071 credentials were earned by participants in either the OJT or Incumbent Worker portion of the program (some of the Incumbent workers earn several credentials). All these participants were also co-enrolled in Wagner-Peyser and WIOA and received career services.

Youth: Summer Program/Work Experience

The Southwest Alabama Partnership for Training and Employment, Inc. (SWAPTE) Local Workforce Development Area developed a Summer Work Experience program entitled “Road 2 Readiness”. This program is for upcoming juniors and seniors to obtain work experience during the summer and receive \$13.50 per hour. The rural counties have had great success with this program as Mobile has struggled. SWAPTE has identified how to increase the program in Mobile, and staff have been working with the City of Mobile’s youth program to partner with them to serve more youth in the county. SWAPTE ensures that these youth know which services can be provided after graduation for additional work experience and training. This program allows youth to learn employability skills, which will help them in their future career. SWAPTE has enrolled approximately 407 youth in youth services or training this year.

The six Governor’s Workforce Development Area’s (GWDA) services for both in-school and out-of-school youth ages 16-24 included a Work-Based Learning Activity offered through the Career Centers in the LWDA’s. This activity included work experience in public, nonprofit businesses, and private businesses. The program aims to promote the development of good work habits and basic work skills by participating in a structured paid work-based learning activity. Objectives included improving a participant’s work maturity skills through meaningful work-based learning assignments and proper supervision and/or enhancing a participant’s academic and other basic skills through relevant worksite experience. Work-based learning participants may work up to 32 hours per week for a maximum of 390 hours. The participant’s hourly pay rate varies depending on the Local Workforce Development Area and the type of employment.

Other Youth Services

The seven Local Workforce Development Boards (LWDBs) oversaw the delivery of existing programs to area youth with great success. Local area providers offered training, job readiness, and academic remediation programs for PY 2023 to better reach difficult-to-serve youth. There were sixteen (16)

providers in six local areas for PY 2023 and nine (9) providers that SWAPTE had. Funding and programs were implemented to make available the 14 Youth Program Elements as required by WIOA and numerous additional resources for youth. The Youth programs funded by the local areas offered the following services (all youth providers may not have offered some activities) directly or via referral during PY 2023.

- Tutoring, study skills training, instruction, and recovery strategies that lead to completion of the requirements for a secondary school diploma or a recognized postsecondary credential
- Alternative secondary school services or dropout recovery services
- Activities that help youth prepare for and transition to postsecondary education and training
- Work-based learning programs that include paid and unpaid work experiences, including internships, apprenticeships, and job shadowing as appropriate
- Occupational skills training, which includes training that leads to recognized postsecondary credentials aligned with in-demand occupations or industry sectors in the local area
- Education, offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster
- Entrepreneurial skills training
- Labor market and employment information about in-demand industry sectors or occupations available in the local area
- Leadership development opportunities, which include community service and peer-centered activities encouraging responsibility and other positive social behaviors as appropriate
- Supportive Services
- Adult mentoring
- Comprehensive guidance and counseling
- Financial literacy education is needed to create household budgets and savings goals, manage spending, credit, and debit, and understand credit scores and financial services.
- Follow-up services that continue for at least twelve months after the completion of program participation. Follow-up services are based on the individual's needs.

The services provided through the WIOA system are evaluated on specific criteria set forth by the USDOL and the WDD. WIOA focuses on young adults who meet the Out-of-School Youth criteria and serve In-School youth. Youth are expected to earn a credential such as a GED or High School Diploma and at least one Measurable Skills Gain (MSG). Programs must also pre-test participants and assist them in math or reading if the youth tests below an eighth-grade level. Youth enrollees are prepared for the workplace and assisted with job placement or supported in their pursuit of continuing education.

To meet these goals, youth receive individual assessments for academic achievement skills, assessment of occupational skills, employability, aptitudes and interests, and prior work history, guidance services, and services that prepare for post-secondary education and training. Youths assessed to need academic remediation, job readiness/workplace skills, world-of-work transition services, and other available services are directed to area youth program providers. Participants may be provided either intermediate or longer-term career planning and educational services.

State-Funded Activities (Governor's Fifteen Percent)

Eligible Training Provider List

The Workforce Development Division (WDD) uses the AlabamaWorks! Internet-based system to better ensure that the customers of local Career Centers have appropriate access to the state's Eligible Training

Provider List. Development and maintenance of this system requires a great deal of cooperation between the WIOA Title I Career Center partner agencies and various training providers. Alabama Career Center staff have been trained to use the Eligible Training Provider List.

The United States Department of Labor (USDOL) has provided guidance regarding methods for certifying, gathering, and reporting performance information, initial certification of out-of-state providers, and recertifying in-state and out-of-state providers. The WDD strives to keep training program information current and up-to-date.

There are approximately eighty-one (81) different training providers and approximately six hundred seventy-seven (677) separate programs on Alabama's WIOA Eligible Training Provider List. Twenty-six (26) of these providers are part of the Alabama Community College System and have over eighty-six (86) locations throughout the State. There are also fifty-nine (59) Registered Apprenticeship Programs on the WIOA Eligible Training Provider List. The Alabama Eligible Training Provider List may be accessed at <http://www.alabamaworks.alabama.gov>.

Incumbent Worker Training Program

The Incumbent Worker Training Program (IWTP) is administered through the Alabama Department of Commerce, Workforce Development Division (WDD). Section 134(a)(3)(A)(i) of the WIOA authorizes Incumbent Worker Training as a statewide workforce development activity. Alabama's IWTP was funded through the Governor's Ten (10) Percent funds in Program Year 2023. The IWTP assists Alabama employers in helping with expenses associated with new or updated skills training of current, full-time employees. For-profit companies, non-profits, and governmental organizations in operation in Alabama for at least two (2) years are eligible to apply for IWTP funds. An interested company must have at least one full-time, permanent employee other than its owner. Companies seeking IWTP funding must also be current on all state and federal tax obligations. Applicants must provide a dollar-for-dollar "soft" match to requested funds. A soft match can include, but is not limited to, employee wages, benefits, and cash payments to vendors. Each applicant could apply for up to \$30,000 of IWTP funds in PY 2023, subject to not exceeding the lifetime award of \$60,000.00.

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

The State of Alabama launched its Incumbent Worker Training Program in September 2001. Through June 30, 2024, Alabama has awarded nearly \$17,815,382 in IWTP funding to Alabama businesses, benefitting more than 26,212 workers. This includes \$239,910 awarded for nine (9) new IWTP contracts for PY 2023 (07/01/23 – 06/30/24). Statewide, PY2023 contracts were awarded to companies of all sizes in six (6) counties, benefitting one hundred forty-six (146) individual workers.

In addition to WIOA funds, during PY2023, the WDD also provided Incumbent Worker Services to additional individuals through a separate grant from the U.S. Department of Education's Reimagine

Workforce Preparation fund. Throughout the grant's life, the Alabama Workforce Stabilization Program has approved 345 employers for IWT and served approximately 6,192 incumbent workers. These workers were provided with training to upskill them in their current jobs. All these participants were also co-enrolled in WIOA and received career services.

WIOA Supportive Services, Including Relocation Assistance

The State of Alabama, through WIOA Governor's Set Aside funds, provides relocation assistance to participants in need of assistance to accept employment in another location. It is intended to serve eligible adults and dislocated workers who cannot find suitable employment in their local area and who have secured employment outside of their commuting area (more than 75 miles) necessitating a move. This service is available statewide through the Alabama Career Center System, and information about the program is provided to Dislocated Workers by the State's Rapid Response Team when responding to mass layoffs. Two individuals requested this service during PY 2023 for \$7000 in assistance. The Rapid Response Team also presented information on this service to individuals exiting incarceration and preparing for reentry during PY23.

WDD established a program providing supportive services for WIOA participants, such as reimbursement for exams, licensing fees, clothing, and tools not covered by ITAs or OJTs. In PY2023, one hundred and ninety-one (191) participants were served, and reimbursements totaling \$50,089.57 were provided to support participants.

Rapid Response

The Alabama Department of Commerce's Workforce Development Division is designated as the State's Dislocated Worker administrator and is responsible for coordinating statewide WIOA Dislocated Worker program services. These responsibilities include the development of the Dislocated Worker program policy and delivering Rapid Response services. As part of Alabama's State Dislocated Worker administrative responsibilities, the Rapid Response Section receives advance notification of worker dislocation events under federal Worker Adjustment and Retraining Notification (WARN) Act requirements. This advance notification better enables the section's effective coordination of direct assistance and/or referral of various other agency services provided to both employers and workers affected by such dislocation events (i.e., substantial layoffs or plant closings). The Rapid Response Section may also provide these services to employers and workers affected by smaller-scale dislocation events, i.e., those not triggering a WARN notification, but which are expected to have a substantial impact on the local community. These smaller-scale dislocation events may come to the attention of the Rapid Response section staff through the news media and contacts initiated by affected employers/employees, union representatives, or other state and local service agencies.

Alabama's Rapid Response activities are coordinated with federal agencies such as the USDOL's Employment and Training Administration and the Employee Benefits Security Administration. In addition, the Rapid Response Section coordinates an Information Network of available resources and representatives to provide additional transition assistance, such as the Alabama Children's Health Insurance Program (All-Kids), Alabama Industrial Development Training (AIDT), The Alabama Workforce Council (AWC), the Regional Workforce Councils (RWC), and the Alabama Community College System (ACCS). This network is comprised of representatives of:

- Alabama Department of Commerce Workforce Development Division - Workforce Innovation and Opportunity Act Office of Small Business Advocacy

- Regional Workforce Councils
- Alabama Department of Labor Unemployment Compensation Employment Service
- Trade Adjustment Assistance
- Alabama Department of Economic and Community Affairs Office of the Director
- Community Services Development Block Grant Low Income Program
- Alabama College System
- Department of Human Resources
- Alabama Department of Public Health
- Alabama All Kids Program (Insurance for Children Under 19) Women Infants & Children Program
- Alabama Medicaid Agency
- Affordable Care Act - Medical Services
- Alabama Cooperative Extension Service
- Alabama Department of Senior Services
- Alabama Department of Rehabilitation Services
- AFL-CIO Labor Institute for Training (LIFT)

The Rapid Response Section comprises one (1) full-time Dislocated Worker Coordinator, an Alabama Department of Commerce employee, and one (1) Supervisor to assist with Group Employee Meetings and manage the overall program when needed. When Rapid Response activities involve unionized companies, an AFL-CIO Labor Institute for Training (L.I.F.T.) representative is also included in Rapid Response activities.

The Rapid Response Section facilitates Group Employee Meetings (GEM) to increase dislocated workers' awareness and utilization of the broad range of programs, services, and benefits available through various federal, state, and local resources to which they are entitled as dislocated workers. The Section's overriding objective is to ease the trauma associated with job loss and better enable dislocated workers to return to the workforce. Attempts are made to maximize everyone's fullest potential.

Upon learning of an anticipated plant closing or substantial layoff, Rapid Response staff schedule on-site meetings with company management and labor representatives (if employees are so represented) to discuss available assistance options. A strong effort is made to appropriately tailor Rapid Response services to each individual dislocation event's unique circumstances and requirements.

During the GEMs, the Rapid Response Section meets with the affected workers to discuss benefits afforded to them as dislocated workers, such as their eligibility for and the availability of retraining services through WIOA programs, Unemployment Compensation, Introduction to our Alabama Career Center System, for job search and placement services, Veteran Services, Vocational Rehabilitation, the Alabama Department of Human Resources, health insurance continuance, pension benefits/counseling, entrepreneurial training assistance, and more. The program usually lasts about an hour per GEM.

The Rapid Response Section works closely with and encourages the Alabama Career Centers to participate in the GEMs at every event and actively participate. Each dislocated worker is encouraged to visit one of our many Alabama Career Centers to activate their benefits through the WIOA.

Rapid Response records indicate that 3,225 workers throughout the state were impacted by twenty-five (25) dislocation events (companies) serviced by the Rapid Response Section during PY 2023. Rapid Response Section staff conducted 29 group employee/local service agency meetings during PY 2023. The Rapid Response Section also provides Layoff Aversion services to companies in need. Strategies can include the Incumbent Worker Training Program, which provides up to 30,000 dollars in training to

upgrade existing permanent full-time employees per project and up to \$60,000 in lifetime maximum benefits, as well as the benefits of the other partner organizations.



[Alabama Career Center System & Wagner-Peyser Act Employment Service Activities](#)

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

Services include:

- Career Services
 - Basic Services
 - Individualized Services
 - Follow-up Services
- Youth Services
- Job Training Services
- Supportive Services

Alabama's network of fifty-seven (57) Career Centers (points of service) strategically located throughout the state is the delivery system for WIOA Title I Career Basic services, Individualized service, Follow-up services, Youth services, Job Training services, and Supportive services to individuals and employers eligible for and in need of these services. WIOA Title III services focusing on hiring and job placement for individuals and businesses are also available through the Career Centers. Professional staff are available in Centers to assist job seekers and employers regarding the availability of jobs, training, and skilled prospective employees to meet labor market needs. Self-help services for job seekers and employers are also available 24/7 through the automated workforce system. Employers may also communicate their specific labor market skill needs to these Centers.

A central feature of each Career Center is the Resource Area, where workforce service seekers, including job seekers and businesses, enjoy ready access to computerized databases that provide details of available educational and occupational training, job openings, and supportive and other services. This information Resource Area also provides businesses with listings of prospective employees possessing the desired skills and work experience. Internet access is available for customers at all Alabama Career Center locations.

Individual jobseekers assessed to require additional occupational skills training to better pursue their vocational objectives may be provided training through the Individual Training Account (ITA) program, with eligible training providers, on-the-job Training (OJT), or Work-Based Learning.

Employers are provided space to conduct employee candidate interviews at most Career Center locations. Additionally, case managers provide job seekers and employers with additional intensive assistance to satisfy their workforce development needs.

Career Center staff work to reduce, if not eliminate, any incidence of service redundancy or overlap among workforce development partner agencies. The goal is to achieve one-stop services integration and leverage resources rather than duplication.

The Career Center Operations Template, developed by the State Workforce Development Board in PY 2002, established a uniform services baseline associated with all Career Center locations, including the Career Center System logo, the availability of resource areas, and other features. The “Career Center” brand has been in place for twenty-eight (28) years and helps clients who move from one area of the state to another to be able to recognize and access workforce services. The state recently adopted “Alabama Works” as its brand for all things workforce, and this has been incorporated into the Alabama Career Center System, as was the inclusion of “a proud partner of the American Job Center Network” into the branding of the Career Centers.

Comprehensive Career Centers (7)

1) Anniston, 2) Birmingham, 3) Dothan City, 4) Huntsville, 5) Mobile, 6) Montgomery, and 7) Tuscaloosa

Affiliate Career Centers (24)

1) Alabaster, 2) Albertville, 3) Alexander City, 4) Bay Minette, 5) Brewton, 6) Cullman, 7) Decatur, 8) Demopolis, 9) Enterprise, 10) Fayette, 11) Foley, 12) Fort Payne, 13) Gadsden, 14) Greenville, 15) Hamilton, 16) Jackson, 17) Jasper, 18) Monroeville, 19) Opelika, 20) Pell City, 21) Selma, 22) Sheffield, 23) Talladega, and 24) Troy

Itinerant & Satellite Career Centers (26)

1) Aliceville, 2) Andalusia, 3) Athens, 4) Camden, 5) Centre, 6) Chatom, 7) Clanton, 8) Eufaula, 9) Fort Deposit, 10) Gilbertown, 11) Haleyville, 12) Hayneville, 13) Jefferson State, 14) Livingston, 15) Luverne, 16) Oneonta, 17) Ozark 18) Phenix City, 19) Phil Campbell, 20) Prattville, 21) Roanoke, 22) Scottsboro, 23) Tutwiler-Ingram, 24) Union Springs, 25) Valley, and 26) Vernon

Note: Career Center numbers are subject to change.

Other Grants

The State of Alabama had one active NDWG during PY 2023. In PY21, the State applied for the Quality Jobs, Equity, Strategy, and Training (QUEST) Disaster Recovery National Dislocated Worker Grant. In PY22, Alabama won a \$4.425 million QUEST grant to provide OJTs, ITAs, and disaster-relief employment to laid-off workers in Regions 1, 3, and 6. By the end of PY23, the project had served 166 people. The project will be ongoing through September 30, 2025.

Workforce Opportunity for Rural Communities - In PY22, Alabama was awarded a \$1.384 million Workforce Opportunity for Rural Communities (WORC) grant. This project has focused on providing soft skills, work readiness, career coaching, mentoring, supportive services, and employment-driven training to individuals living in Lowndes County. By the end of PY23, 103 people had received services through WORC. The project will continue through September 30, 2025.

Delta Regional Authority - The State of Alabama received \$434,291 in PY23 from the Delta Regional Authority to serve 60 Macon County residents. This program provides work readiness skills, career coaching, mentoring, supportive services, and employment-driven training. Local employers will provide work experiences to participants who are new entrants to the workforce, dislocated workers, and incumbent workers.

Pathway Home 4 Alabama's Returning Citizens – The State of Alabama received \$1,500,000 in PY23 to serve 150 participants to individuals returning to their communities from custody. The Pathway Home 4 Alabama's Returning Citizens initiative aims to eliminate the service gap and reduce recidivism among inmates released into their communities. This initiative is strengthened by a partnership with the Alabama Department of Corrections (ADOC) and Ingram State Technical College (ISTC), the nation's only correctional education provider housed on prison grounds. Through this partnership with ISTC, participants will receive nationally certified work readiness instruction, industry-informed occupational skills training, and case managers with access to every prison this project will operate. Twelve participants are currently enrolled.

Partners for Reentry Opportunities in Workforce Development (PROWD) – The State of Alabama received \$6,507,557 in PY23 to serve 175 individuals transitioning out of the Aliceville Correctional Facility and Regional Reentry Centers. Participants will receive work readiness skills training, reentry coordination and support, peer mentoring, supportive services, and employment-driven training. The Pathways program will start working with participants pre-release to begin occupational training and create a plan for post-release. After release, individuals will continue to receive case management, mentoring, and supportive services to ease their transition. Job search assistance and placement will also be provided to local employers.

YouthBuildUp Birmingham – The State of Alabama receives a \$1,500,000 YouthBuild grant at the end of PY23. 66 individuals ages 16 – 24 will participate in a pre-apprenticeship program in construction and automotive manufacturing. YBB will provide adult education, career-focused training, and work-based learning opportunities to students from disinvested and low-income communities. Students will perform various service projects and renovate rundown homes. They will also earn credentials to attract high-demand opportunities in their selected career pathway.

Technical Assistance

The State of Alabama Workforce Development Division (WDD) provides technical assistance to providers, participants, employers, and case managers through the State Reporting Section. The Section is responsible for performance accountability, performance monitoring, data validation, and technical assistance needs concerning WIOA Title One and other WDD-administered grant programs. Technical assistance is provided passively through the issuance of policy and guidance via the Governor's Workforce Innovation Directives and actively through staff training, data reconciliation, and the HelpDesk.

While providing technical assistance, the Workforce Development Division continues transitioning toward the formal launch of the Alabama Department of Workforce, Workforce Pathways Division on October 1, 2025.

The Section is also responsible for administering and enforcing negotiated performance levels for all WDD grant programs. The current policy requires that any Area that fails to meet negotiated levels of performance targets for 4 + consecutive quarters:

- Develop a performance improvement plan with assistance from the Section
- Be subject to performance monitoring until compliance is met and
- Receive technical assistance from the State actively and upon request

Once an Area has been noncompliant for 8 consecutive quarters, the Section must perform an ongoing desk review and consider stricter measures, such as sanctions. If an Area has been noncompliant for 12 consecutive quarters, the State will enact the required measures indicated in TEGL 11-19 Change 1.

In PY23, the following training was conducted:

Youth Training

August 23, 2023	Hanceville	Youth Provider Eligibility
August 28, 2023	Birmingham	Bham CC Eligibility
August 31, 2023	Troy	Youth Provider Eligibility
September 7, 2023	Montgomery	Youth Provider Eligibility
November 30, 2023	Selma	DC WIOA AlabamaWorks!
January 23, 2024	Montgomery	FGC AW!
January 30, 2024	Montgomery	Brantwood AlabamaWorks!
January 31, 2024	Montgomery	Circle of Care AlabamaWorks!
February 8, 2024	Birmingham	Dannon AlabamaWorks!
February 22, 2024	Anniston	UWECA, ADRS, Attalla AW!
April 4, 2024	Huntsville	Wellstone AW!
April 9, 2024	Muscle Shoals	NWSCC and Bevill AW!
May 7, 2024	Montgomery	DESI AW!
May 29-30, 2024	Montgomery	Wellstone AW!

Discretionary Grant Training

June 5, 2024	Commerce/Montgomery	Delta Regional Authority
June 20, 2024	Commerce/Montgomery	Delta Regional Authority
June 13, 2024	Commerce/Montgomery	PROWD Grant Training
April 25, 2024	AIDT/ Montgomery	AWSP Grant Funding Meeting
January 24 -25, 2024	Birmingham	AWSP Employer Training
March 6, 2024	Commerce/Montgomery	Technical Assistance for WORC

Success Stories

Adult - Natalie first visited the Hamilton Career Center in August 2022, seeking WIOA/ITA assistance. She completed value-added services until funding became available to pay for her final two semesters of nursing school at Beville State Community College in Hamilton, AL. During Natalie's time at Beville State, she was very involved as a Student Ambassador. Natalie obtained her AAS-Nursing in December 2023 and was awarded the Florence Nightingale Certificate of Recognition! She gave a speech during her Pinning Ceremony. Natalie has transferred to the University of North Alabama to pursue her BSN online. She works at Walker Baptist Medical Center as a Registered Nurse in the ICU Department, earning \$32.52/hour.

Adult - In August of this year, Anthony Espinosa embarked on a transformative journey under the WIOA program, enrolling in Truck Driver training at Truck Driver Institute in Oxford, Alabama. His story is a testament to resilience and determination, marked by the triumphs he achieved despite facing significant challenges in his life. After spending 20 years incarcerated, Anthony approached with a genuine commitment to change. From his conversation, it was clear that he was serious about creating a better future for himself and his family. His determination was inspiring. Once he was deemed eligible for the program, Anthony sprang into action. He took and passed the TABE test, completing all necessary requirements in just two days. With his swift progress, he was soon approved to begin training at TDI. Remarkably, he finished the course ahead of schedule. After obtaining his CDL license, Anthony returned to the Career Center to express his heartfelt gratitude. Overwhelmed with emotion, he thanked everyone for their support in his journey. He shared the incredible news that he had received a job offer with a salary exceeding \$100,000 a year – a dream he believed would have been impossible without assistance. Today, Anthony is not just earning a living; he is building a future the right way, embodying the spirit of hard work and dedication. His story inspires others, proving that it's never too late to pursue your dreams with determination and the right support.

Dislocated Worker - Cheryl came to the Sheffield Career Center after being laid off from Freightcar America in Cherokee. She began training through the TAA Program and was co-enrolled in WIOA services. After participating in training to become a sonographer for a few semesters, she had some difficult life circumstances that caused her to discontinue training through the TAA Program. She spoke with someone at length and decided to change her curriculum to Medical Assisting Technology. She could not continue training through the TAA Program due to this decision.

Cheryl attended the Spring Semester of 2023 using Pell Grant funds and had good academic performance. Sheffield Career Center Staff requested WIOA Dislocated Worker ITA funding for the Summer Semester of 2023, and WIOA assisted Cheryl with the remainder of her training. Cheryl made the Dean's List during the Fall semester of 2023 and the Spring semester of 2024. She graduated in May 2024 with an Associate Degree in Medical Assisting Technology and is currently employed full-time as a Medical Assistant at Petersville Family Care.

Dislocated Worker – Mr. Bird received WIOA funding to obtain his CDL Class A through the Truck Driver Institute in Oxford, Alabama. Before receiving WIOA, Mr. Bird had just started working and lived at the Fresh Start Recovery Ministries in Lincoln, Alabama, which assists homeless individuals. Through this program, Mr. Bird learned about WIOA and how the program could help him receive his CDL Class A. Even though Mr. Bird had to remediate his TABE results, he was not discouraged and could retest and pass with the results to proceed with WIOA. The WIOA program helped Mr. Bird pay for his training and gain the marketable skills he needed to care for himself. After completing training, Mr. Bird was employed by Werner Trucking and went over the road. Currently, Mr. Bird is loving his new career driving trucks

and traveling. Mr. Bird says he appreciates and is thankful to the career center for helping him enter this new field.

Youth – Jacob was employed at a convenience store and had recently graduated high school. He was enrolled in an ITA and completed the HVAC Fast Track Program on 08/28/23. He is an HVAC Technician, earning \$20.00/hour.

Youth – YES Program, Molly – Molly, age 17, entered the Enterprise Career Center in September 2023 as a high school dropout. She was enrolled in WIOA and referred to the YES (Youth Enrichment Services) program to complete her high school education and receive soft skills training. She worked quickly, completed the Conover Work Readiness Program by the end of September, and earned her accredited high school diploma on December 20, 2023. In February 2024, she began working at Dr. Harrison’s ABA Therapy Center in Ozark and became a Registered Behavior Technician in July 2024. WIOA and the YES Program helped her with the first step in her educational goal of becoming a social worker.

Challenges

Despite continued low unemployment, Alabama’s Labor Force Participation Rate (LFPR) remained significantly lower than the national U.S. Labor Force Participation Rate. However, the rate is still high at 57.4%. Traditional reasons for this situation are childcare and transportation. Other explanations include housing and the lasting impact of COVID. Additionally, expanded federal unemployment assistance is said to have affected the workforce. Many employees took early retirements, which disrupted succession plans and left employers searching for talent in an already tight labor market.

The Workforce Investment Partnership

The Workforce Innovation and Opportunity Act (WIOA), *Titles I & III*, prescribes the delivery of a wide array of skills training, job placement, educational opportunities, and other workforce development services. Both job seekers and employers may access WIOA workforce development services through the Alabama Career Center System. Career Centers serve as employee/employer gateways to workforce development services and resources. Many of these services are available at the Career Centers’ physical locations, but some are available online through the Alabama Works Eligibility Explorer. Other services are made available through various other agencies directly and indirectly affiliated with the Alabama Career Center System network. This network is principally designed to facilitate customer awareness of and access to the workforce development services required to overcome barriers to employment.

WIOA funds allotted to the state are, in turn, allocated to local workforce development areas within the state. These local workforce development areas, which are charged with administrative responsibility for WIOA programs and services, use some of these allocations for Career Center operations within their boundaries. Alabama has fifty-seven (57) Career Center System sites, including comprehensive and affiliate (itinerate & satellite) centers. The Alabama Career Center System has been guided by the Career Center Operations template established by the State Workforce Investment Board (WIB) since its issuance in November 2002. This template, the Alabama Career Center Guide to Customer Services, most recently revised in November 2018, is a formal framework delineating operational guidelines and expectations. It provides comprehensive direction to ensure the effective and cohesive functioning of the Alabama Career Center System. In addition to the 2018 revision to the guide, Commerce WDD has released numerous Governor’s Workforce Innovation Directives (GWIDs) that provide supplementary operational guidance to the career centers.

Groups targeted for WIOA services include Adults (age 18 and over), Youth (age 16 to 24), and Dislocated Workers (job loss due to plant closings and layoffs). There is a greater focus on providing Adults, older Youth, and Dislocated workers with skills that lead directly to employment. More attention is given to achieving long-term educational milestones for the younger Youth group. For this population, more emphasis is given to basic literacy training and GED and ACT preparation than to short-term employment opportunities.

Specific strategies have been developed to ease the transition of Dislocated Workers from unemployment to reemployment. These measures include establishing a Dislocated Workers Rapid Response Team, which directly provides information on available workforce development services to the affected individuals and advises these workers regarding other available support services for which they may be eligible as dislocated workers. Among these services are health insurance program information and strategies to help protect dislocated workers' pension funds. Another strategy has been adopting the Reemployment Services and Eligibility Assessment (RESEA) program. This program identifies UI claimants likely to exhaust benefits for mandatory in-person intensive services designed to return them to work.

Priority of Services has also been established through policy from the State WDB under TEGL 7-20 for public assistance recipients, individuals with low incomes, and those who are basic skills deficient to receive the highest priority for WIOA services after all eligible veterans and eligible spouses of veterans have been considered for services.

Workforce Boards

The Governor appoints members of the Alabama Workforce Development Board (AWDB). Local Workforce Development Boards (LWDBs) are appointed by each local area's designated Chief Local Elected Official (s). The governor is the Chief Local Elected official for the six (6) Governor's Local Workforce Development Areas. Area 7, Southeast Alabama Partnership for Training and Employment, is represented by the Chief Local Elected Officials within its respective counties.

During PY 23, the Legislature passed, and Gov. Kay Ivey signed legislation changing the number of Board members while maintaining WIOA-required membership representation. The changes can start taking effect in October 2024. The board's name will be changed to the Alabama Workforce Board. *(Please see Attachment C for State Workforce Development Board Members During Program Year 2023 (PY23))*

State Level Coordination

Several State agencies partner with the Alabama Department of Commerce, Workforce Development Division, and the Alabama Department of Labor to deliver WIOA-sponsored services and programs, including:

- Alabama Department of Commerce, Workforce Development Division - State-level WIOA (WIOA Grant Administration); Local Area WIOA (Local WIOA Grant Administration for LWDA's 1, 2, 3, 4, 5, and 6), National Dislocated Worker Grants, Other Federal Grant programs, Rapid Response Services, Alabama Industrial Development Training (pre-employment services), Apprenticeship Alabama, seven Regional Workforce Councils (aligned with the WIOA local areas), and the statewide Alabama Workforce Council.

- Alabama Department of Commerce, Business Division - Industrial Recruitment and Aid to Existing Industries
- Alabama Department of Education (Secondary) - Career/Technical Education
- Alabama Community College System - Two-Year College System (workforce training programs), Adult Basic Education, Alabama Technology Network, and Ready-to-Work Program
- Alabama Department of Rehabilitation Services
- Alabama Department of Human Resources - Subsidized Employment Program (SEP), Food Stamp Training Program (SNAP E&T), JOBS Program (TANF)
- Alabama Department of Senior Services
- Alabama Department of Labor - Unemployment Compensation, Employment Service, Labor Market Information, Trade Adjustment Assistance, Veterans Services, WIOA Business Outreach, Staff for Career Centers

Specific interagency coordination activities include:

- A continuous exchange of customer information with LWDA 7 (SWAPTE), the Alabama Governor's Local Workforce Development Areas (LWDAs 1, 2, 3, 4, 5, and 6), the Workforce Development Division, the Alabama Department of Commerce, Alabama Department of Labor, Trade Act Programs, Employment Service/Unemployment Compensation/Labor Market Information Divisions, Postsecondary Education, Adult Education, the Department of Senior Services, the Department of Human Resources, and the Alabama Department of Rehabilitation Services. This exchange ensures case managers access information on various locally available workforce development programs and services.
- Workforce Development Division Program Integrity Section staff regularly monitors and assesses the progress achieved by WIOA program participants from their date of application through post-program follow-up. This action helps determine the level and quality of the workforce development services provided to these individuals.
- Each local area ensures that its service providers make available information to program applicants and/or participants regarding the full complement of available training/educational opportunities, support services, and other benefits they are entitled to.
- The establishment by each local area of appropriate linkages, where feasible, with programs operated under the following legislation:
 - the Adult Education and Literacy Act
 - the Carl D. Perkins Vocational and Technical Education Act of 1998
 - Title IV, part F, of the Social Security Act
 - the Food Stamps employment program
 - the National Apprenticeship Act
 - the Rehabilitation Act of 1973

- Title II, Chapter 2 of the Trade Act of 1974
- the Stewart B. McKinney Homeless Assistance Act
- the United States Housing Act of 1957
- the National Literacy Act of 1991
- the Head Start Act
- the Older Americans Act
- the Trade Act
- Labor Market Information/Employment Statistics
- Work Opportunity and Reconciliation Act
- Jobs for Veterans Act

Workforce Innovation and Opportunity Activity Resource Allocation

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

PY22/FY23 Federal WIOA Allocation Levels

State-Level Activities	\$ 5,051,959
Statewide Rapid Response Activities	\$ 394,923
Local Area Adult Programs	\$ 8,588,168
Local Area Youth Programs	\$ 8,850,108
<u>Local Area Dislocated Worker Programs</u>	<u>\$10,794,587</u>
TOTAL	\$33,679,745

Local Workforce Development Area WIOA Allocation Levels

North AlabamaWorks! (Area 1)

Adult	\$1,016,355
Youth	\$1,058,778
<u>Dislocated Worker</u>	<u>\$1,586,399</u>
TOTAL	\$3,661,532

East AlabamaWorks! (Area 2)

Adult	\$ 834,944
Youth	\$ 689,807
<u>Dislocated Worker</u>	<u>\$1,271,882</u>
TOTAL	\$2,796,633

West AlabamaWorks! (Area 3)

Adult	\$ 574,538
Youth	\$ 734,484
<u>Dislocated Worker</u>	<u>\$ 854,745</u>
TOTAL	\$2,163,767

*Central Alabama Partnership for Training and Employment –
North Central Alabama Works! (Area 4)*

Adult	\$ 910,340
Youth	\$ 864,624
<u>Dislocated Worker</u>	<u>\$1,646,399</u>
TOTAL	\$3,421,363

Central AlabamaWorks! (Area 5)

Adult	\$1,781,773
Youth	\$1,963,977
<u>Dislocated Worker</u>	<u>\$2,083,686</u>
TOTAL	\$5,829,436

Southeast AlabamaWorks! (Area 6)

Adult	\$ 501,773
Youth	\$ 535,813
<u>Dislocated Worker</u>	<u>\$ 1,162,634</u>
TOTAL	\$ 2,200,220

Southwest Alabama Partnership for Training and Employment (Area 7)

Adult	\$2,968,445
Youth	\$3,002,625
<u>Dislocated Worker</u>	<u>\$2,188,842</u>
TOTAL	\$8,159,912

Local Area Totals	\$28,232,863
Statewide Rapid Response	\$ 394,923
State-Level Activities	\$ 5,051,959
Total	\$33,679,745

Attachment A

Advancing Alabama's Public Workforce System

Our state will not reach its full potential, with nearly half of its working-age people on the sidelines. Alabama can do better, and it will make Alabama's public workforce system more effective and efficient. Alabama has the highest rate of disconnected youth, at 18 percent, according to the Federal Reserve Bank of Dallas, and Alabama's labor force participation rate of 57.8 percent is nearly 5 percentage points below the national average of 62.7 percent. Alabama is addressing postsecondary attainment and labor force participation together. Economic growth is booming in areas across Alabama with the highest levels of attainment and labor force participation. In the counties with low labor force participation, there is also limited postsecondary attainment and economic growth. Nearly all the new jobs Alabama is creating require some form of postsecondary credential, whether an occupational license, an apprenticeship credential, a certification, or a degree. To raise the labor force participation rate by just one percentage point, Alabama must train and employ approximately 40,000 individuals who are currently not in the labor force. Recent surveys show that 90 percent of Alabamians who are unemployed or underemployed are seeking to return to the labor force in the next year, which means Alabama must double down on the career-connected training programs, such as apprenticeships, that allow youth and adults to earn and learn.

Career Connected Learning

Alabama is combining the four keys to career-connected learning: postsecondary credit attainment, career navigation, work-based learning, and industry-recognized credentials to power Alabama's two-pronged career pathways model for youth and adults, which is designed to eliminate leaks from Alabama's talent pipeline. Concurrently, Alabama is developing new training modalities that couple short-term training programs aligned to in-demand jobs, industry-recognized credentials, credit-for-prior learning, and supportive services to help Alabamians overcome benefits cliffs and persist in training and employment. Alabama is also developing a skills-based, learner-centered, and demand-driven education and workforce ecosystem to make all learning count by validating degree and non-degree learning and credentials. Utilizing skills as the unit of transaction for all learning, Alabama is creating transparency for both students and employers to ensure alignment between education and industry, between the skills and credentials employers require, and those earned and learned by students and job seekers. To effectively implement a skills-based economy, Alabama has implemented the Talent Triad to support the required integration between students and job seekers, employers, education and training providers, and policymakers. Alabama has been working for four years to develop the nation's first statewide talent marketplace built on skills. Alabama's goal is to dramatically expand the ranks of working, skilled, well-paid Alabamians by adding 500,000 credentialed workers to the labor force and surpass the national labor force participation rate by the end of 2025. The first step was to get specific about what Alabama means by in-demand jobs. Since 2019, Alabama has convened leaders from across each industry to identify and define the in-demand jobs and career pathways in each state region. Industry representatives from our seven workforce regions focused on 16 industry sectors, and they have identified 365 in-demand jobs and many associated career pathways. Another critical step for the state was to reimagine how education connects to the economy. For Alabama, this requires embracing competency-based education and skills-based hiring. Skills-based hiring is an approach to talent management that starts with identifying the skills required in a role and recruiting candidates who have passed competency- or performance-based assessments. Competency-based education focuses on what people know and can do, which is what Alabama needs to make skills-based work.

Alabama's Workforce Alignment Efforts

Alabama aspires to be a model for talent training and development, inspiring other states to become as good as Alabama. Alabama's recent efforts have been cited as national best practices for connecting the workforce and the economy by USA Today and Forbes. Site Selection Magazine ranked Alabama as the best state in South-Central States for workforce development for the last two years. Despite these successes, aligning Alabama's education, workforce, and human services efforts remains incomplete. Alabama's efforts to align its education and workforce development systems have occurred over three epochs.

In 2003, Governor Bob Riley began consolidating and aligning Alabama's workforce development efforts by consolidating state workforce development programs into the Office of Workforce Development. In 2015, many of Alabama's workforce and economic development agencies were consolidated into the Department of Commerce's business development and workforce development divisions. When Governor Ivey entered office, she quickly realized that Alabama's maze of workforce programs is overwhelming to students and adults who need training, and many of the programs are unknown to the very people who need them. In May 2024, the Governor signed the "Working for Alabama" legislative package into law. This ambitious bill package aims to transform Alabama's workforce and get more Alabamians trained for skilled, high-paying jobs, streamlining Alabama's economic development efforts and investing in Alabama communities, especially those in rural areas. The bipartisan package includes the Alabama Workforce Transformation Act, the Alabama Growth Alliance Act, the Alabama Career Pathways Act, the Childcare Tax Credit, the Housing Tax Credit, and legislation to create research and development corridors.

State Workforce Development Board and Executive Committee

The Alabama Workforce Transformation Act (AWTA; Act 2024-115) merges Alabama's two existing state workforce boards, the Alabama Workforce Council (AWC) and the State Workforce Development Board, into one. The Act also places business and industry members at the forefront of making decisions and directing the vision related to Alabama's public workforce. Mr. Phil Webb, President of Webb Concrete, was selected by Governor Ivey to serve as the first chair of the newly established Alabama Workforce Board, composed of 40 members. The Alabama Workforce Board will help to increase Alabama's labor force participation rate by more efficiently using scarce state and federal workforce training funds and consolidating the strategic planning processes of statewide workforce efforts.

The Need for Change

In 2022, Alabama received \$36.8 million for the three main WIOA programs—adult, youth, and dislocated worker. Of the \$36.8 million, 43.7 percent was spent on administration. Only 3,268 people completed training; only 2,726 of the trainees were employed one year after, and only 35.2 percent were employed in the job they were trained for. Since 2018, Alabama – like many other states - has suffered a 41.3 percent cut to the WIOA Title I programs. Alabama can do better, and that began with merging the AWC and the WIOA board into one Alabama Workforce Board so Alabama can put business and industry at the forefront of decision-making when it comes to these federal investments. The public workforce system is not doing its fair share by training only 3,268 people with just over a third of those folks employed in a job related to the WIOA-provided training.

The Executive Committee of the Alabama Workforce Board

The AWTA established the Executive Committee of the Alabama Workforce Board to provide a strategic vision and plans for all of Alabama's workforce development programs, including those funded by state and federal sources. Governor Ivey appointed Mr. Jeff Peoples, CEO of the Alabama Power Company, as the first chair of the Executive Committee. The Executive Committee will provide annual budget recommendations and a plan for coordinating Alabama's workforce development activities with the education and economic development systems. The Executive Committee comprises the Governor, the Chair of the Alabama Workforce Board, and five members of business and industry. The Secretary of Workforce serves as a non-voting ex officio member. Appointing members of the Alabama Workforce Board and its Executive Committee were key first steps in implementing the AWTA. Appointments to the Executive Committee and the State Workforce Board were made in August 2024.

Local Workforce Development Boards

Before the passage of the AWTA, the Regional Workforce Councils (RWCs) had very little funding or authority. They officially reported to a local board of directors with little oversight from the state. The local WIOA boards served as the subgrant recipients of the federal WIOA dollars but were, in most cases, not directly integrated with the RWCs. Just as was true for the state level, having two duplicative local workforce boards created confusion.

The AWTA retired the RWCs and the current local WIOA boards. Seven local workforce boards, composed of 20 members each, will soon be established to replace the RWCs and the current local WIOA boards. Non-state staff employed by the Regional Workforce Councils are not automatically transferred to the Alabama Department of Workforce like the RWC employees who work for Commerce WDD. The non-state RWC employees can apply for positions created to staff the local workforce boards before October 1, 2025. The FY 2025 budget will provide funding for the RWCs and legacy programs for the units transferring from Commerce WDD and AIDT through September 30, 2025. Beyond October 1, 2025, no state funding for the RWCs will be available. The current activities of the RWCs supported by business and industry will be continued and augmented under the seven new local workforce boards.

State Workforce Agency

Before the passage of the AWTA, Alabama was one of only five states with two state workforce agencies managing the federal WIOA Title I and Title III programs. Moving to a single state workforce agency will ensure that Alabama's Title I and Title III WIOA programs are managed by the same agency, as is done in 45 other states. It would also help Alabama reduce the administrative costs associated with WIOA.

Mandate for Improvement

The AWTA gives the Alabama Workforce Board and the Executive Committee a clear mandate to improve performance. This will be done through:

- increased performance targets;
- increased levels of funds dedicated to training;
- greater transparency and efficiency in career center budgets;
- integration of technology and a common intake process for the career centers;
- colocation of WIOA core and partner programs at one-stop centers; and
- an integrated marketing plan for Alabama's workforce system.

During the transition year from October 1, 2024, to September 30, 2025, budgets and organizational structures are being analyzed for the units transferring from Commerce WDD and legacy ADOL units to the Alabama Department of Workforce Pathways Division.

Alabama Department of Workforce, Workforce Pathways Division Transition Timeline

The Alabama Department of the Workforce will formally launch on October 1, 2025. The Commerce WDD employees who are transferring to the Workforce Pathways Division will transfer formally on July 1, 2025, to coincide with the federal program year, and the AIDT employees transferring to the Workforce Pathways Division will formally transfer on October 1, 2025, to coincide with the state fiscal year. The Chief Local Elected Officials will reappoint and recertify the local boards based on policies issued by the Governor per WIOA. New job descriptions will be created for cross-trained Talent Navigators who will serve in the career centers and provide WIOA Title I and III services for job seekers and employers.

Attachment B

PY 2023 Data Validation Report

The Workforce Development Division (WDD) completed the Program Year (PY) 2023 data validation project on September 18th, 2024, in compliance with TEGL 23-19 Change 1-2. The review focused on the Adult, Dislocated Worker, and Youth programs. All required data elements were validated and categorized into three subgroups: Eligibility Elements, Administration Elements (including wage data), and Reporting Elements (such as service dates and follow-up items).

While the final error rate goal was **5%**, the validation process revealed a higher-than-expected error rate of **9.9%**. The breakdown of error rates is as follows:

	Elements Validated	Passing	Failing	System Error	Rate
Total Rate Eligibility	1,287	1,111	176	0	13.7%
Total Rate ADMIN	742	740	2	0	0.3%
Total Rate Reporting	3,581	3,206	307	68	10.5%
Final Rate	5,610	5,057	485	68	9.9%

Justification for Not Meeting the Goal

The elevated error rates, particularly within the Reporting Elements subgroup, stemmed from incorrect reporting tied to system services that inadvertently triggered validation failures. Additionally, some errors resulted from reporting issues with the Persistent Individual Record Layout (PIRL).

Corrective Actions Taken

To address these issues and prevent recurrence in future validation cycles, the WDD has taken the following corrective measures:

1. **Altered Incorrect Reporting Elements:** We corrected erroneous reporting elements that caused system services to trigger unnecessary validations, contributing to the higher error rate.
2. **Technical Assistance with Software Provider:** We initiated technical support with our software provider to address and correct PIRL reporting issues.
3. **Planned Case Manager Training:** We have scheduled training sessions for case managers statewide to ensure they are better equipped to handle eligibility documentation, determination, and data entry to reduce future error rates.

With these corrective actions in place, we are confident that future data validation processes will meet the 5% error rate target and improve the accuracy of our reporting.

Attachment C

State Workforce Development Board Members During Program Year 2023 (PY23)

Governor:

The Honorable Kay Ivey

Representatives of State Legislature:

Alabama House – Terri Collins

Alabama Senate – Clay Scofield

Representatives of Business:

Alabama Power Company – Brandon Glover

Boeing- Chrystal Morgan

American Cast Iron Pipe Co. – Mike Petrus / Mallory Wilson

Cleveland Senior Living – Dr. Phillip Cleveland

OCH Healthcare System – Peggy Sease-Fain

Inteva – Jocelyn Welch

Lavender, Inc. – Lawrence Lavender

Phifer, Inc. – Russell DuBose

United Launch Alliance – David Smith

Wiregrass Coop – Bethany Retherford

Fearless Tech – Bryan Noel

ARD Logistics – Bregitte Braddock

LogiCore Corp. – Miranda Bouldin

Community.com Software – Jacqueline McKinney

Alabama Power – Aubrey Carter

Huntsville Utilities – Harry Hobbs

Coosa Valley Medical Cntr. – Christy Knowles

GD Copper USA – KC Pang

Webb Concrete – Phil Webb

Alabama AGC – Billy Norrell

Honda – Lamar Whitaker
Wiregrass Construction Co. – Eric Fulmer
Rehab Select – Bobby Stephenson
LSINC Corp. – Alicia Ryan
FloraBama – Christopher Dickins
Four–Star Freight Liner – Scott Dixon
Hotels – Nanda Patel
Birmingham Electrical Contractors – Walt Bedsole
McCartney LLC – Tim McCartney
BNI – Stacia Robinson
GA West – Myles Hollingsworth
Kelvin Wright – Bridgewater Interiors
Amy Eberly - Coca-Cola
Ron Houston – Houston Resource Group
EBSCO – Julie Kornegay

Representatives of Workforce:

IBEW Local 136 – Bill Blackman
Alabama AFL - CIO – David Niesen
Executive Board BEJATC – Matthew Dudley
Montgomery: Job Corps – Frank Coiro
SAFE Sylacauga – Margaret Morton
Southwest Alabama Partnership for Training & Employment – Sydney Raine
Still Serving Veterans – Rich Landolt
Community Action Partnership of North Alabama – Karen Jared
Dunn University – Chris Stricklin
Easter Seals Birmingham – Michael Woolley
Al. Network FRC – Joan Witherspoon
Birmingham Promise - Samantha Williams
Central Ala. IEC – Mitzi Lowe

AIDT – Sherry DeLoach

Representatives of Government:

Required WIOA Core Partners:

Ed Castile, Deputy Secretary of Commerce

Workforce Development Alabama Department of Commerce, *Title I*

Jimmy Baker, Chancellor

Alabama Community College System (ACCS), *Title II*

Fitzgerald Washington, Secretary

Alabama Department of Labor, *Title III*

Jane Elizabeth Burdeshaw, Commissioner

Alabama Department of Rehabilitation Services, *Title IV*

Required County Elected Official:

Stanley Bateman, Commissioner St. Clair County Commission

Required City Elected Official:

Mayor Tony Haygood

City of Tuskegee, Alabama

Other:

Nancy Buckner, Commissioner

Alabama Department of Human Resources

Dr. Jim Purcell, Executive Director Alabama Commission on Higher Education

Josh Laney, Director

Alabama Office of Apprenticeship

Alan Baker

State Representative for State House District No. 66 Alabama House of Representatives

Keith Phillips, Executive Director ATN

Alabama Community College Workforce Development (ACCS)

Mickey Hutto


Board Member Inter-Tribal Council of Alabama

Al. Senate – Donnie Chesteen

Pike Road Mayor Gordon Stone

**PY2023 Annual Report
November 19, 2024**

Prepared by:


Jeff Pinegar (Nov 19, 2024 13:02 CST)

11/19/2024

Jeff Pinegar, Program Integrity Section



11/19/2024

Lorilei Sanders, State Programs & Budget Section

Reviewed by:



11/19/2024

Tammy Wilkinson, WDD Director



11/19/2024

Hunter Talley, Attorney for Commerce



Ed Castile (Nov 19, 2024 19:54 CST)

11/19/2024

Ed Castile, Deputy Secretary of Workforce Development
& AIDT Director











DUE 12/2/24: Alabama WIOA Titles I III PY23 Annual Report

Final Audit Report

2024-11-20

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