

Arizona Workforce Innovation
and Opportunity Act (WIOA)
State Plan for PYs 2020-2023

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Overview

Under the Workforce Innovation and Opportunity Act (WIOA), the Governor of each State must submit a Unified or Combined State Plan to the Secretary of the U.S. Department of Labor that outlines a four-year strategy for the State's workforce development system. The publicly-funded workforce development system is a national network of Federal, State, regional, and local agencies and organizations that provide a range of employment, education, training, and related services and supports to help all job-seekers secure good jobs while providing businesses with the skilled workers they need to compete in the global economy. States must have approved Unified or Combined State Plans in place to receive funding for core programs. WIOA reforms planning requirements, previously governed by the Workforce Investment Act of 1998 (WIA), to foster better alignment of Federal investments in job training, to integrate service delivery across programs and improve efficiency in service delivery, and to ensure that the workforce system is job-driven and matches employers with skilled individuals. One of WIOA's principal areas of reform is to require States to plan across core programs and include this planning process in the Unified or Combined State Plans. This reform promotes a shared understanding of the workforce needs within each State and fosters development of more comprehensive and integrated approaches, such as career pathways and sector strategies, for addressing the needs of businesses and workers. Successful implementation of many of these approaches called for within WIOA requires robust relationships across programs. WIOA requires States and local areas to enhance coordination and partnerships with local entities and supportive service agencies for strengthened service delivery, including through Unified or Combined State Plans.

Options for Submitting a State Plan

A State has two options for submitting a State Plan— a Unified State Plan or a Combined State Plan. At a minimum, a State must submit a Unified State Plan that meets the requirements described in this document and outlines a four-year strategy for the core programs. The six core programs are—

- the Adult program (Title I of WIOA),
- the Dislocated Worker program (Title I),
- the Youth program (Title I),
- the Adult Education and Family Literacy Act program (Title II), and
- the Wagner-Peyser Act Employment Service program (authorized under the Wagner-Peyser Act, as amended by title III),
- the Vocational Rehabilitation program (authorized under Title I of the Rehabilitation Act of 1973, as amended by Title IV).

Alternatively, a State may submit a Combined State Plan that meets the requirements described in this document and outlines a four-year strategy for WIOA's core programs plus one or more of the Combined State Plan partner programs. When a State includes a Combined State Plan partner program in its Combined State Plan, it need not submit a separate plan or application for that particular program. If included, Combined State Plan partner programs are subject to the "common planning elements" (Sections II-IV of this document) where specified, as well as the program-specific requirements for that program where such planning requirements exist separately for the program. The Combined State Plan partner programs are—

- Career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006, as amended by the Strengthening Career and Technical Education for the 21st Century Act (Perkins V) (20 U.S.C. 2301 et seq.)
- Temporary Assistance for Needy Families program (42 U.S.C. 601 et seq.)

- Employment and Training programs under the Supplemental Nutrition Assistance Program (programs authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)))
- Work programs authorized under section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o))
- Trade Adjustment Assistance for Workers programs (Activities authorized under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.))
- Jobs for Veterans State Grants Program (programs authorized under 38, U.S.C. 4100 et seq.)
- Unemployment Insurance programs (programs authorized under State unemployment compensation laws in accordance with applicable Federal law)
- Senior Community Service Employment program (programs authorized under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.))
- Employment and training activities carried out by the Department of Housing and Urban Development
- Community Services Block Grant (Employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.))¹
- Reintegration of Ex-Offenders program (programs authorized under section 212 of the Second Chance Act of 2007 (42 U.S.C. 17532))

[1] States that elect to include employment and training activities carried out under the Community Services Block Grant (CSBG) Act (42 U.S.C. 9901 et seq.) under a Combined State Plan would submit all other required elements of a complete CSBG State Plan directly to the Federal agency that administers the program. Similarly, States that elect to include employment and training activities carried out by the Department of Housing and Urban Development that are included would submit all other required elements of a complete State Plan for those programs directly to the Federal agency that administers the program.

How State Plan Requirements Are Organized

The major content areas of the Unified or Combined State Plan include strategic and operational planning elements. WIOA separates the strategic and operational elements to facilitate cross-program strategic planning.

- The **Strategic Planning Elements** section includes analyses of the State's economic conditions, workforce characteristics, and workforce development activities. These analyses drive the required vision and goals for the State's workforce development system and alignment strategies for workforce development programs to support economic growth.
- The **Operational Planning Elements** section identifies the State's efforts to support the State's strategic vision and goals as identified in the Strategic Planning Elements section. This section ensures that the State has the necessary infrastructure, policies, and activities to meet its strategic goals, implement its alignment strategy, and support ongoing program development and coordination. Operational planning elements include:
 - State Strategy Implementation,
 - State Operating Systems and Policies,
 - Assurances,
 - Program-Specific Requirements for the Core Programs, and

- Program-Specific Requirements for the Combined State Plan partner programs. (These requirements are available in a separate supplemental document, Supplement to the Workforce Innovation and Opportunity Act (WIOA) Unified and Combined State Plan Requirements. The Departments are not seeking comments on these particular requirements).

When responding to Unified or Combined State Plan requirements, States must identify specific strategies for coordinating programs and services for target populations.² States must develop strategies that look beyond strategies for the general population and develop approaches that also address the needs of target populations.

Paperwork Reduction Act: The Paperwork Reduction Act of 1995 (PRA) provides that an agency may not conduct, and no person is required to respond to, a collection of information unless it displays a valid OMB control number. Public reporting burden for this information collection is estimated to be 86 hours per state; including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Responding to this collection is required to obtain or retain the Federal grant benefit. In addition, responses to this information collection are public, and the agencies offer no assurances of confidentiality. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Office of Workforce Investment, and reference OMB control number 1205-0522. Note: Please do not return the completed plan to this address.

[2] Target populations include individuals with barriers to employment, as defined in WIOA Sec. 3, as well as veterans, unemployed workers, and youth.

I. WIOA State Plan Type and Executive Summary

a. WIOA State Plan Type

Unified or Combined State Plan. Select whether the State is submitting a Unified or Combined State Plan. At a minimum, a State must submit a Unified State Plan that covers the six core programs.

Unified or Combined State Plan. Select whether the State is submitting a Unified or Combined State Plan. At a minimum, a State must submit a Unified State Plan that covers the six core programs.

Unified State Plan. This plan includes the Adult, Dislocated Worker, Youth, Wagner-Peyser Act, Adult Education and Family Literacy Act, and Vocational Rehabilitation programs.

Combined State Plan. This plan includes the Adult, Dislocated Worker, Youth, Wagner-Peyser Act, Adult Education and Family Literacy Act, and Vocational Rehabilitation programs, as well as one or more of the optional Combined State Plan partner programs identified below.

This is a unified plan.

Combined Plan Partner Program(s)

Indicate which Combined Plan partner program(s) the state is electing to include in the plan.

Career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006, as amended by the Strengthening Career and Technical Education for the 21st Century Act (Perkins V) (20 U.S.C. 2301 et seq.)

No

Temporary Assistance for Needy Families program (42 U.S.C. 601 et seq.)

No

Employment and Training programs under the Supplemental Nutrition Assistance Program (programs authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)))

No

Work programs authorized under section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o))

No

Trade Adjustment Assistance for Workers programs (activities authorized under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.))

No

Jobs for Veterans State Grants Program (programs authorized under 38, U.S.C. 4100 et. seq.)

No

Unemployment Insurance programs (programs authorized under State unemployment compensation laws in accordance with applicable Federal law)

No

Senior Community Service Employment program (programs authorized under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.))

No

Employment and training activities carried out by the Department of Housing and Urban Development

No

Community Services Block Grant (Employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.))

No

b. Plan Introduction or Executive Summary

The Unified or Combined State Plan may include an introduction or executive summary. This element is optional.

Letter from Governor Ducey

Letter from Superintendent Hoffman

Letter addressing COVID-19 Impact on Arizona's WIOA Customers

Arizona is proud to present its 2020 to 2023 WIOA Unified Workforce Development Plan (Plan), as required by WIOA sec. 102 (29 U.S. Code § 3112).

The WIOA of 2014, Public Law 113-128 (Pub. L. 113–128), supersedes the Workforce Investment Act (WIA) of 1998 and provides the opportunity to align “workforce investment, education, and economic development systems in support of a comprehensive, accessible, high-quality workforce development system in the United States.” Over the last four years, Arizona utilized the WIOA requirements to help increase business leadership in the workforce system and develop increased systemwide unity with the implementation of unified branding, ARIZONA@WORK, across workforce partners. Looking forward, the Workforce Arizona Council (Council), the State’s Workforce Development Board, strives to ensure the next four years will advance what the State has learned and developed. Thoughtful consideration was given when developing ARIZONA@WORK’s goals and strategies, as well as

identifying the State's In-Demand Industries and Occupations and strengths and weaknesses. These were developed to be regularly reflected on throughout the next four years and revised as economic, workforce, and other relevant conditions change.

The Council ensured these initial decisions were well informed by convening ARIZONA@WORK partners throughout the summer of 2019 for public working group meetings. Representation at the meetings included leadership from the Arizona Department of Economic Security/Division of Employment and Rehabilitation Services (DES/DERS), the state designated Workforce Agency and WIOA grantee; Local Workforce Development Boards (LWDBs); the Arizona Commerce Authority (ACA); the Arizona Office of Economic Opportunity (OEO); and the Arizona Department of Education/Adult Education Services (ADE/AES). Partners provided specific, relevant, and up to date workforce and labor market data to ensure each decision was based on the best available facts regarding each topic. Additional insight was provided by the LWDB members and their staff at the Summer 2019 workforce convening hosted by the Council. This insight was critical in defining the strengths and weaknesses identified in this plan.

Leadership for the core WIOA programs and LWDBs provided suggestions and edits to ensure the strategy implementation was logical and provided opportunities for each program to contribute to the overall strategies. Further, LWDB staff and ARIZONA@WORK partners provided comments and feedback which were included early in the section's development.

Throughout the development of this plan, several webinars and presentations were given updating all ARIZONA@WORK partners of the four-year plan's progress. A draft of this plan was disseminated statewide for public comment before the Council voted to approve it. As a part of the public comment process, a formal tribal consultation was held, inviting all tribal leaders in Arizona to obtain further input.

Since the original drafting of this plan, Arizona has been significantly impacted by the global spread of the COVID-19 virus. On March 11, 2020, Governor Ducey issued a Declaration of Emergency. While this plan does not specifically address the changing workforce needs related to the COVID-19 outbreak, Arizona plans to utilize all ARIZONA@WORK partners to innovatively implement the strategies identified in this plan to support the changing needs of businesses and job seekers affected by the crisis.

II. Strategic Elements

The Unified or Combined State Plan must include a Strategic Planning Elements section that analyzes the State's current economic environment and identifies the State's overall vision for its workforce development system. The required elements in this section allow the State to develop data-driven goals for preparing an educated and skilled workforce and to identify successful strategies for aligning workforce development programs to support economic growth. Unless otherwise noted, all Strategic Planning Elements apply to Combined State Plan partner programs included in the plan as well as to core programs.

a. Economic, Workforce, and Workforce Development Activities Analysis

The Unified or Combined State Plan must include an analysis of the economic conditions, economic development strategies, and labor market in which the State's workforce system and programs will operate.

1. Economic and Workforce Analysis

A. Economic Analysis

The Unified or Combined State Plan must include an analysis of the economic conditions and trends in the State, including sub-State regions and any specific economic areas identified by the State. This must include—

i. Existing Demand Industry Sectors and Occupations

Provide an analysis of the industries and occupations for which there is existing demand.

ii. Emerging Demand Industry Sectors and Occupations

Provide an analysis of the industries and occupations for which demand is emerging.

iii. Employers' Employment Needs

With regard to the industry sectors and occupations identified in (A)(i) and (ii), provide an assessment of the employment needs of employers, including a description of the knowledge, skills, and abilities required, including credentials and licenses.

Arizona's economy consists of a wide range of industries offering opportunities for individuals seeking employment of all types. Since the end of the Great Recession, employment growth has rebounded in a majority of sectors, and Calendar Year (CY) 2018 personal income levels and state Gross Domestic Product (GDP) have both increased over CY 2017 levels. Other indicators of economic importance also show positive improvements for the Arizona economy:

- Population levels continue to increase across the state as individuals from other states and countries seek increased economic opportunities in Arizona.
- The rate of unemployment among Arizona residents remained consistent throughout Program Year (PY) 2018.
- Labor force participation levels have remained steady throughout PY 2018.
- The Construction industry is growing at a significant, yet sustainable pace.
- Total employment is projected to increase by 2.8 percent from PY 2018 through PY 2019; however, these gains will not be shared equally among all industry supersectors.
- Arizona gained 78,000 nonfarm jobs in PY 2018.
- The State Coincident Index for Arizona, an indicator for measuring economic activity, has increased and exceeded its prior peak in October of 2007.
- Per capita personal income growth in Arizona still lags the national average, but it is growing.

This section summarizes labor market and workforce trends occurring within the Arizona economy to help address and manage future workforce challenges.

1. In-Demand Industries (including existing and emerging industries)

An In-Demand industry, as defined under the WIOA, is a sector that has a substantial current or potential impact on the state economy and contributes to the growth or stability of other supporting businesses. The Council approved a list of In-Demand industries, which consist of industries that are large and strong (existing industries) and industries that are smaller but fast growing (emerging). The Council identified seven In-Demand industry sectors that included six existing industries and one emerging industry to target over the next four years. These sectors represent a significant source of economic opportunity for both job seekers and employers. Each industry was selected based on current and projected employment opportunities, favorable wages, and industry competitiveness. Analysis of local labor market trends and the In-Demand industries identified in the local workforce plans were also considered[1]. With Arizona's employment concentrated in two Metropolitan Statistical Areas (MSAs), the Phoenix-Mesa-Scottsdale MSA (Maricopa County) and the Tucson MSA (Pima County), it was important to select industries that represented the differing employment needs

across the state. While not every industry may be strong in every area, the resulting selections included significant industries in each local workforce area[2].

Industries were identified in part as “In-Demand” based on strong employment and wage growth. From CY 2015 to 2018, In-Demand industry employment grew by 5.0 percent annually compared to Arizona total private sector employment, which grew by only 3.1 percent. In-Demand industry employment growth is projected to outpace Arizona total private sector growth through 2020, growing 4.3 percent annually. By comparison, Arizona total private employment is projected to only increase by 2.7 percent annually from 2018 to 2020. In-Demand industries have also provided above-state-average wages. The average annual wage for all industries was \$52,676 in the fourth quarter (Q4) of 2018, while the average wage for all In-Demand industries combined was \$71,101.

Table 1: In-Demand Industries – Average Wage

| NAICS Code | Industry Title | Average Annual Wages (2018 Q4) | Average Annual Wage LQ (2018 Q4)* | Annual Wages Percent Change (2015-2018) |
|------------|--|--------------------------------|-----------------------------------|---|
| 23 | Construction | \$61,100 | 1.01 | 3.5% |
| 62 | Health care and social assistance | \$54,496 | 1.15 | 0.4% |
| 54 | Professional, scientific, and technical services | \$86,736 | 0.92 | 1.0% |
| 52 | Finance and insurance | \$74,256 | 0.79 | 1.8% |
| 31-33 | Manufacturing | \$74,828 | 1.20 | 0.3% |
| 48-49 | Transportation and warehousing | \$50,128 | 1.06 | -1.0% |
| * | Information technology** | \$96,166 | 0.65 | 3.4% |

* A wage Location Quotient (LQ) allows for wages within one industry to be compared across different geographic areas. An industry with an above-average wage LQ (where LQ>1.0) is an indication that industry employees within the local area receive higher wages than employees working in the same industry elsewhere.

** Information technology is an emerging industry in Arizona. All other industries are existing.

Source: ACA/OEO

Table 2: In-Demand Industries – Individuals Employed

| Rank | NAICS Code | Industry Title | Employment (2018 Q4) | Employment LQ (2018 Q4)* | Employment Percent Change (2015-2018) | Average Projected Growth (2018-2020) |
|------|------------|--|----------------------|--------------------------|---------------------------------------|--------------------------------------|
| 1 | 23 | Construction | 163,287 | 1.12 | 8.0% | 5.8% |
| 2 | 62 | Health care and social assistance | 383,510 | 0.97 | 3.9% | 3.9% |
| 3 | 54 | Professional, scientific, and technical services | 157,899 | 0.85 | 5.3% | 4.6% |
| 4 | 52 | Finance and insurance | 163,279 | 1.38 | 4.0% | 2.5% |
| 5 | 31-33 | Manufacturing | 172,329 | 0.68 | 2.8% | 3.6% |

| | | | | | | |
|-----|-------|--------------------------------|---------|------|------|------|
| 6 | 48-49 | Transportation and warehousing | 101,490 | 0.94 | 9.2% | 4.8% |
| N/A | N/A | Information technology | 20,897 | 0.97 | 9.6% | 8.9% |

* An employment LQ is a powerful indicator which allow a local region to identify which industries they hold a competitive advantage in (where LQ >1.0). An employment LQ compares the industry employment concentration of a region with the employment density of that industry nationwide.

Source: ACA/OEO

Construction

The Construction industry has recorded steady and sustained employment growth following the dramatic declines that occurred during the Great Recession (2007 to 2009). From 2015 to 2018, the Construction industry recorded the third largest employment increase of all the In-Demand industries selected, growing by 8.0 percent annually. Both commercial and residential building demands were responsible for the increase in construction activity. Commercial building was strengthened by the increase in business activity occurring around the state. The total number of Arizona business establishments increased by 13,021 establishments (2.8 percent annually) from 2015 to 2018 and real state GDP increased by 3.6 percent annually over the same period[3]. Within residential construction, new homes were needed to meet the demands of new residents moving into the state. In 2018, Arizona recorded the fourth fastest growing population in the nation, primarily due to national and international migration into the state[4].

Health Care and Social Assistance

Health Care and Social Assistance is one of the largest and most reliable industries within the state. It is the only Arizona industry that continued recording employment growth through the Great Recession and has recorded positive year-over-year employment gains since industry employment data was first collected back in 1990. In 2018 Q4, Health Care and Social Assistance had the second highest wage LQ among the seven In-Demand industries. Health Care and Social Assistance employment is projected to increase by 3.9 percent annually through 2020.

Professional, Scientific, and Technical Services

The Professional, Scientific, and Technical Services industry provides a wide range of employment opportunities throughout the Arizona economy. The largest subsectors within this industry include Computer System Design Services (37,959 employees); Architectural and Engineering Services (26,017 employees); and Management, Scientific, and Technical Consulting Services (25,553 employees)[5]. Compared to the other In-Demand industries, Professional, Scientific, and Technical Services had the second highest wages in 2018 Q4 and fourth largest wage growth from 2015 to 2018. Professional, Scientific, and Technical Services was selected as an In-Demand industry due to high wages, high wage growth, and a preponderance of high-skilled occupations.

Finance and Insurance

The Finance and Insurance industry has a strong presence within the Arizona economy. Finance and Insurance recorded the largest employment LQ among the In-Demand industries selected. Industries with LQ values above 1.0 are generally defined as export-oriented industries because they supply goods or services to consumers outside of the Arizona economy. Several large finance and insurance companies that serve an international client base have a significant presence within the Arizona economy, and the Finance and Insurance industry is considered an export industry because of this. The Finance and Insurance industry also provided the third highest wages in 2018 Q4 and recorded the third fastest wage growth from 2015 to 2018 among the In-Demand industries.

Manufacturing

Arizona Manufacturing has made a remarkable recovery after years of decline in the early 2000s. Manufacturing employment peaked at 210,000 jobs in 1998 before steadily declining to 148,000 jobs

by 2010[6]. Over the past 19 years, the Manufacturing industry in Arizona grew by 27,000 jobs, more than half of which were created within the past two years, 2018 and 2019. Aerospace Product and Parts Manufacturing is the largest sub sector within Manufacturing and was partially responsible for the employment gains within Manufacturing. From 2015 to 2018, Aerospace Product and Parts Manufacturing gained 3,881 jobs and averaged 5.0 percent growth per year. Other subsectors that recorded strong growth from 2015 to 2018 include Other Food Manufacturing (1,267 jobs; 12.1 percent annual growth); Plastics Product Manufacturing (1,260 jobs; 10.4 percent annual growth); and Pharmaceutical and Medicine Manufacturing (1,127 jobs; 14.5 percent annual growth)[7].

Transportation and Warehousing

The importance of Transportation and Warehousing within the Arizona economy has increased within the past several years. Transportation and Warehousing employment grew at an annual rate of 9.2 percent from 2015 to 2018, the second largest growth rate among the In-Demand industries selected. The increase in popularity of online e-commerce is in part responsible for the strong employment growth within the Transportation and Warehousing industry. U.S. e-commerce sales represented over 10.5 percent of total sales in the first quarter of 2019, which is up from just 3.5 percent of total sales in the first quarter of 2009. As consumers have become more comfortable shopping online[8], demand for warehousing and shipping employment has increased. Within the Transportation and Warehousing industry, the subsectors that experienced the largest employment growth from 2015 to 2018 include Warehousing and Storage (14,356 jobs); Couriers and Express Delivery Services (2,726 jobs); and Specialized Freight Trucking (1,413 jobs).

Information Technology

The Information Technology industry is an emerging field with employment needs that can change from year to year. While the Information Technology industry is not officially defined under the North American Industrial Classification System (NAICS), the employment growth for specific high-tech subsectors was large enough that a portion of the larger Information industry was targeted as an In-Demand industry. Information Technology employment increased by 9.6 percent annually from 2015 to 2018; the largest employment growth rate of all the In-Demand industries. Within Information Technology, employment growth occurred within Satellite Telecommunications (1,375 jobs); Internet Publishing (1,140 jobs); Software Publishers (1,077 jobs); and Data Processing Services (1,021 jobs).

In-Demand Occupations

An In-Demand occupation, as defined under WIOA, is an occupation that currently has or is projected to have a number of positions that lead to economic self-sufficiency and opportunities for advancement in an industry that is significant to the state. The Council identified a list of 132 In-Demand occupations which have strong projected employment, above-average wages, medium to high skill requirements, and large projected vacancy needs. In-Demand occupations identify career opportunities within each of the In-Demand industries and across education levels.

In 2018, there were 1,231,769 individuals employed within In-Demand occupations, roughly 44.2 percent of total Arizona employment. Employment within In-Demand occupations is projected to increase by 80,358 jobs from 2018 to 2020, growing 3.2 percent annually. In comparison, all Arizona occupations are projected to grow by 2.7 percent annually. The In-Demand occupations also provide above-average wages for employees. In 2018, the average annual wage for In-Demand occupations was \$52,572, while average wage for all industries was \$49,290.

In-Demand occupations are well distributed throughout the seven In-Demand industries. Table 4 shows the number of In-Demand occupations within each of the In-Demand industries. Health Care and Social Assistance has 51 occupations that were identified as In-Demand, the most of all the In-Demand industries. Information Technology, the smallest of the seven In-Demand industries, has the fewest In-Demand occupations with only 22.

Providing opportunities for job seekers across all education levels was a factor considered when selecting In-Demand occupations. Table 5 categorizes In-Demand occupations by minimum education requirements. Forty-eight occupations require at least a high school diploma; this is the

most common educational requirement among these 132 occupations. Six occupations require a master's degree; this is the least common educational requirement among these 132 occupations. The complete list of 132 occupations is available in the appendix.

Table 3: In-Demand Occupations – Employment & Wages

| # of Occupations | Average Wage | Total Employment | Share of 2018 Total Employment | Projected Growth Rate |
|------------------|--------------|------------------|--------------------------------|-----------------------|
| 132 | \$52,572 | 1,231,769 | 44.2% | 3.2% |

Source: ACA/OEO

Table 4: In-Demand Occupations – Count of Occupations within Industries

| Industry | Count of In-Demand Occupations ¹ |
|-------------------------------------|---|
| Construction | 46 |
| Finance and Insurance | 30 |
| Health Care and Social Assistance | 51 |
| Information Technology | 22 |
| Manufacturing | 59 |
| Professional and technical services | 49 |
| Transportation and warehousing | 24 |

Source: ACA/OEO

Table 5: In-Demand Occupations – Count of Occupations by Education Requirement

| Education Requirement | Count of In-Demand Occupations |
|--------------------------------|--------------------------------|
| Less than high school | 20 |
| High school diploma | 48 |
| Postsecondary non-degree award | 9 |
| Associate degree | 15 |
| Bachelor's degree | 26 |
| Master's degree | 6 |

¹ Many individual, In-Demand Occupations are present within multiple industries.

| | |
|---------------------------------|---|
| Doctoral or professional degree | 8 |
|---------------------------------|---|

Source: ACA/OEO

2. Employers' Employment Needs

Identifying future employment demands can ensure that individuals are investing time and energy into the right skill sets to meet the needs of employers. Table 6 identifies the most common knowledge, skills, and abilities required for employment within Arizona In-Demand occupations[10]. Fundamental communication skills including writing, listening, and speaking were required in numerous In-Demand occupations and are critical skills for job seekers to focus on improving. Hard skills such as mechanical, mathematics, and computers and electronics are also valuable skills for job seekers to learn.

Table 6: In-Demand Occupations Top Required Knowledge, Skills and Abilities

| Table 6: In-Demand Occupations Top Required Knowledge, Skills and Abilities | | |
|--|-----------------------|-----------------------|
| Knowledge | Skills | Abilities |
| Customer and Personal Service | Reading Comprehension | Oral Comprehension |
| English Language | Active Listening | Oral Expression |
| Mechanical | Critical Thinking | Near Vision |
| Mathematics | Speaking | Problem Sensitivity |
| Computers and Electronics | Operation and Control | Written Comprehension |

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics

Certifications and licenses are often occupation specific. They can be found for all occupations, including Arizona's In-Demand occupations, on the CareerOneStop website.

For Certifications go to the 'Find Certifications'

tool:<https://www.careeronestop.org/Toolkit/Training/find-certifications.aspx>

For Licenses go to the 'Find Certifications' tool: <https://www.careeronestop.org/Toolkit/Training/find-licenses.aspx>

As ARIZONA@WORK pursues its strategies to develop a career pathway model and support transferrable skills, more research and information on In-Demand credentials and licenses will be developed.

[1] For example, the industries identified by the Nineteen Tribal Nations workforce board in their 2018 Modified Workforce Plan were reviewed during the development of this list. For a complete list of any local board's identified In-Demand Industries, please see their four-year local workforce plan.

[2] The Office of Economic Opportunity provides custom labor market analysis by workforce area that can be accessed on their website. The local workforce boards will identify In-Demand Industries and Occupations in their local workforce area using the latest available labor market data and workforce trends.

[3] U.S. Bureau of Economic Analysis Percent Change in Real Gross Domestic Product (GDP) by State and Region

[4] U.S. Dept. of Commerce Census Bureau American Community Survey Population program

[5] U.S. Dept. of Labor Bureau of Labor Statistics Quarterly Census of Employment and Wage program

[6] U.S. Dept. of Labor Bureau of Labor Statistics Current Employment Statistics program

[7] U.S. Dept. of Labor Bureau of Labor Statistics Quarterly Census of Employment and Wage program

[8] U.S. Dept. of Commerce Census Bureau Quarterly Retail E-Commerce Sales report

[9] Many individual, In-Demand Occupations are present within multiple industries.

[10] In-demand occupations are defined in the Economic Analysis section of the state plan

B. Workforce Analysis

The Unified or Combined State Plan must include an analysis of the current workforce, including individuals with barriers to employment, as defined in section 3 of WIOA⁴. This population must include individuals with disabilities among other groups⁵ in the State and across regions identified by the State. This includes—

[4] Individuals with barriers to employment include displaced homemakers; low-income individuals; Indians, Alaska Natives, and Native Hawaiians; individuals with disabilities, including youth who are individuals with disabilities; older individuals; ex-offenders; homeless individuals, or homeless children and youths; youth who are in or have aged out of the foster care system; individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers; farmworkers (as defined at section 167(i) of WIOA and Training and Employment Guidance Letter No. 35-14); individuals within 2 years of exhausting lifetime eligibility under the Temporary Assistance for Needy Families program; single parents (including single pregnant women); and long-term unemployed individuals.

[5] Veterans, unemployed workers, and youth, and others that the State may identify.

i. Employment and Unemployment

Provide an analysis of current employment and unemployment data, including labor force participation rates, and trends in the State.

ii. Labor Market Trends

Provide an analysis of key labor market trends, including across existing industries and occupations.

iii. Education and Skill Levels of the Workforce

Provide an analysis of the educational and skill levels of the workforce.

iv. Skill Gaps

Describe apparent 'skill gaps'.

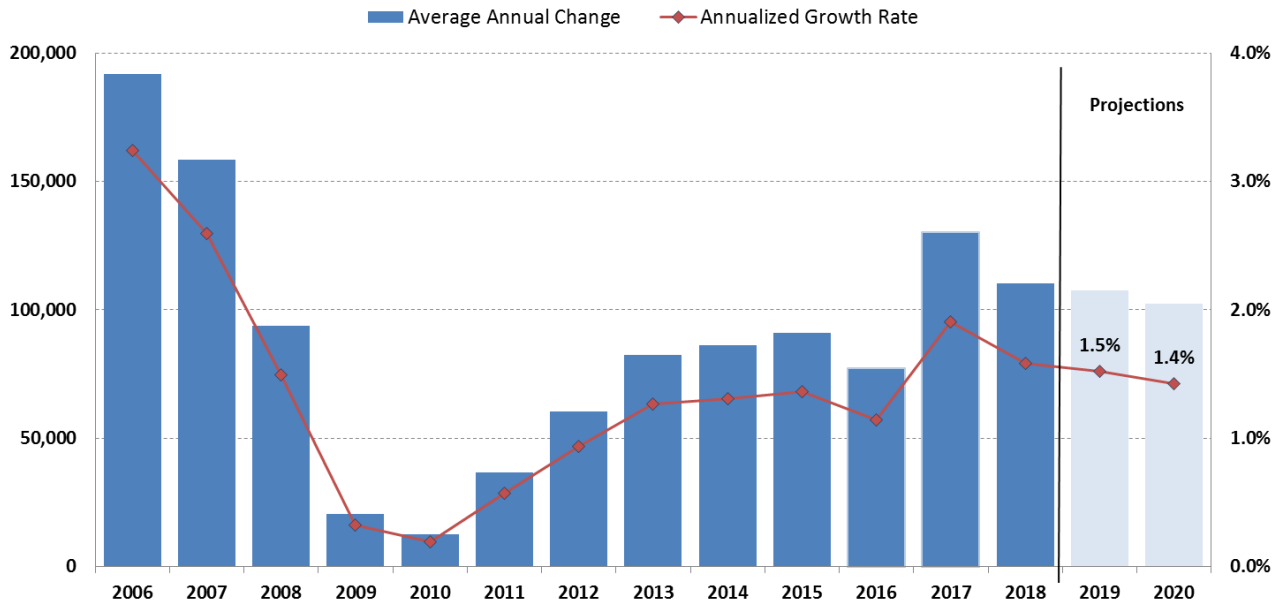
i. Employment and Unemployment

Population

Population growth in Arizona increased by 1.6 percent (110,302 individuals) in CY 2018. Roughly one-fifth of this growth (20.3 percent) is attributed to natural change (more births than deaths), while four-fifths of this growth (79.7 percent) is attributed to net migration (more individuals moving into Arizona than leaving). Special population changes are related to the temporary residencies caused by university students.

Figure 1

Arizona's Population Growth and Growth Rates, 2006-2020



Source: Prepared by OEO in cooperation with the U.S. Census Bureau using 2010 Census data

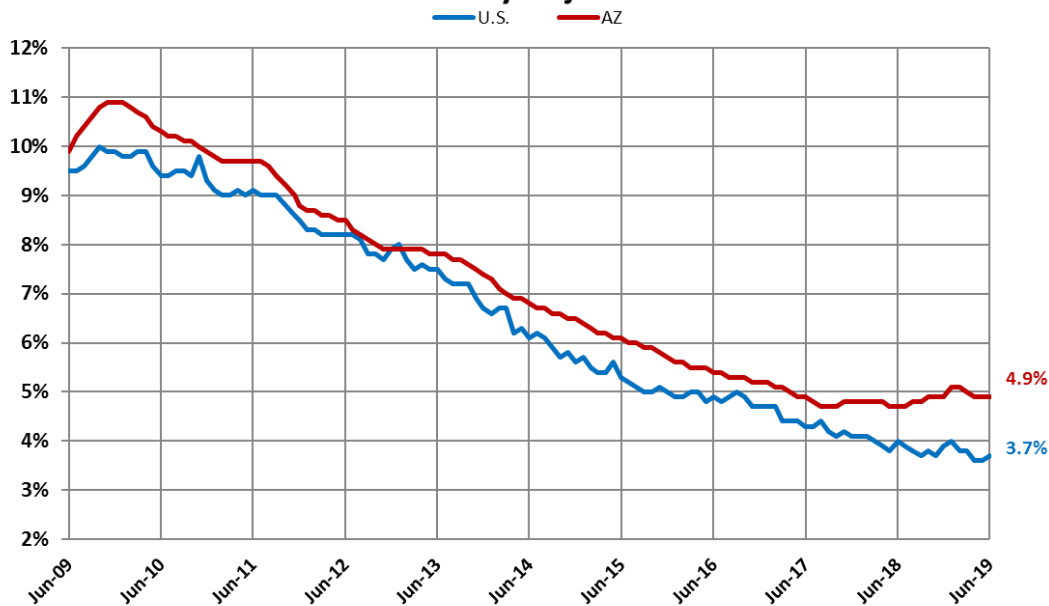
Arizona's population growth rate has exceeded 1.0 percent every year since CY 2012 (see Figure 1). CY 2009 and CY 2010 had particularly low population growth rates due to the impacts of the Great Recession. The employment levels in Arizona declined during these years, and, as employment opportunity is a major driver of population increases, net migration declined as well. As the state recovered, net migration began to increase. This population growth can, in turn, fuel additional economic growth through the infusion of new consumers demanding goods and services.

Unemployment

Arizona had an unemployment rate of 4.9 percent in June 2019, a significant improvement over the unemployment rate nearly ten years prior when peaked at 10.9 percent in December 2009 (see Figure 2). From December 2009 to June 2019, unemployment levels in Arizona declined by 168,639 individuals. The decline in the Arizona unemployment rate has largely followed the national trend of declining rates of unemployment during this same period. The United States unemployment rate was near its peak in December 2009 at 9.9 percent and has since declined 6.2 percentage points to 3.7 percent as of June 2019.

Figure 2

Arizona & U.S. Unemployment Rate Seasonally Adjusted



From 2010 through 2016, Arizona’s unemployment rate has consistently trended downward to historic lows. During the later years of the recovery, from 2017 through 2019, the Arizona unemployment rate began to flatten out or increase slightly. This change in trend was largely due to the significant increase in labor force levels during this same period. Arizona labor force growth was among the fastest of all states during this period as individuals entered into the workforce seeking employment opportunities.

Since April 2008, the Arizona unemployment rate has consistently trended above the United States unemployment rate. Between April 2018 and June 2019, the average difference between the two unemployment rates was 0.6 percent. Since August 2018, the difference has trended consistently over 1.0 percent and stands currently at 1.2 percent in June 2019. The higher unemployment rate in Arizona can be explained in part by the increase in population and labor force levels within the state. From 2008 to 2018, the civilian noninstitutional population has increased by 14.2 percent in Arizona. This is in comparison to the United States where its civilian noninstitutional population only grew by 10.3 percent. Consequently, a population increase in Arizona led to an increase in labor force levels, which grew by 8.6 percent from 2008 to 2018.

Unemployment rates vary dramatically between different demographic groups in the state. Table 7 displays 2018 unemployment rates by age group for Arizona and the United States. In both the United States and Arizona, the unemployment rates for individuals 45 to 54 years old was the lowest of all age group categories, while rates were highest for individuals 16 to 19 years old. Historically, it is typical for the unemployment rates among younger age groups to be higher than older age groups because of the differences in work experience and skill attainment in the two age groups.

Table 7: 2018 Unemployment Rate by Age Group

| Age Group | AZ Unemployment Rate | US Unemployment Rate |
|----------------|----------------------|----------------------|
| All Ages | 4.7% | 3.9% |
| 16 to 19 years | 17.3% | 12.9% |
| 20 to 24 years | 7.8% | 6.9% |
| 25 to 34 years | 5.0% | 3.9% |
| 35 to 44 years | 2.6% | 3.0% |
| 45 to 54 years | 2.3% | 2.8% |

| | | | | |
|-----------------|---------|------|---------|------|
| 5 years or more | 170,231 | 5.6% | 180,739 | 5.7% |
|-----------------|---------|------|---------|------|

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Table 18: Arizona Employment by Occupation Job On-the-Job Training

| On-the-Job Training | 2018 Estimated Employment Level | 2018 Estimated Share of Total Employment | 2020 Projected Employment Level | 2020 Projected Share of Total Employment |
|-----------------------------------|---------------------------------|--|---------------------------------|--|
| None | 1,078,073 | 35.8% | 1,140,467 | 35.9% |
| Internship/residency | 36,042 | 1.2% | 38,443 | 1.2% |
| Apprenticeship | 48,522 | 1.6% | 53,184 | 1.7% |
| Short-term on-the-job training | 1,259,761 | 41.8% | 1,322,264 | 41.6% |
| Moderate-term on-the-job training | 502,401 | 16.7% | 530,756 | 16.7% |
| Long-term on-the-job training | 90,441 | 3.0% | 95,830 | 3.0% |

Source: Produced by the Arizona Office of Economic Opportunity in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

[11] The labor force participation rate (LFPR) is the labor force as a percent of the civilian noninstitutional population.

[12] The civilian noninstitutional populations include persons 16 years of age and older who are not inmates of institutions (for example, penal and mental facilities, homes for the aged), and who are not on active duty in the Armed Forces.

[13] Occupation employment estimates group employment by the type of job an employee performs.

[14] BLS uses a system to assign categories for entry-level education, work experience in a related occupation, and typical on-the-job training to each occupation. Categories do not necessarily identify the exact level of education, job experience or on-the-job training an individual employed in that occupation has. For more information regarding education, job experience and on-the-job assignments visit: http://www.bls.gov/emp/ep_education_tech.htm.

2. Workforce Development, Education and Training Activities Analysis

The Unified or Combined State Plan must include an analysis of the workforce development activities, including education and training in the State, to address the education and skill needs of the workforce, as identified in (a)(1)(B)(iii) above, and the employment needs of employers, as identified in (a)(1)(A)(iii) above. This must include an analysis of—

A. The State's Workforce Development Activities

Provide an analysis of the State's workforce development activities, including education and training activities of the core programs, Combined State Plan partner programs included in this plan, and required ⁶ and optional one-stop delivery system partners.⁷

[6] Required one-stop partners: In addition to the core programs, the following partner programs are required to provide access through the one-stops: Career and Technical Education (Perkins), Community Services Block Grant, Indian and Native American programs, HUD Employment and Training programs, Job Corps, Local Veterans' Employment Representatives and Disabled Veterans'

Outreach Program, National Farmworker Jobs program, Senior Community Service Employment program, Temporary Assistance for Needy Families (TANF) (unless the Governor determines TANF will not be a required partner), Trade Adjustment Assistance programs, Unemployment Compensation programs, and YouthBuild.

[7] Workforce development activities may include a wide variety of programs and partners, including educational institutions, faith- and community-based organizations, and human services.

B. The Strengths and Weaknesses of Workforce Development Activities

Provide an analysis of the strengths and weaknesses of the workforce development activities identified in (A), directly above.

C. State Workforce Development Capacity

Provide an analysis of the capacity of State entities to provide the workforce development activities identified in (A), above.

A) The State's Workforce Development Activities

Overview:

The ARIZONA@WORK system is a partnership between state and local agencies and organizations including, but not limited to the Council, ACA, OEO, DES, ADE, and the Governor-designated Local Workforce Development Areas (LWDAs) and networks. The Core programs are administered by: ADE (Title II) and DES (Titles I, III, and IV). The Council, with the core programs and other partners, assist the Governor to set the vision for the ARIZONA@WORK system as set out in the State plan. The LWDBs drive that vision through alignment within their local plans, engagement with local business, education, and workforce partners, based on local and regional needs and resources.

Primary components of the workforce system include its governance, innovative services to exceed individuals' and employers' expectations, coordination between and with partner organizations, and ensuring accountability and continuous improvement through ongoing evaluation. The workforce development activities discussed below highlight fundamental activities completed within the ARIZONA@WORK system. Responsibilities of required ARIZONA@WORK core partners can be found in the capacity section.

Governance:

Governance is led by the Council, established in 2015, as the State's workforce development board. Many of the Council members participate in other statewide councils (such as the Arizona Manufacturers Council, Arizona Chamber of Commerce and Industry, the Arizona Association of General Contractors, the Arizona Insurance Institute, Aerospace and Defense Commission), which provides additional insight and input to execute their role on the Council. A subcommittee of the Council oversees the drafting of administrative policies on behalf of the ARIZONA@WORK system, including local governance structure, service integration, service provider selection, job center certification, Memorandum of Understanding/Infrastructure Funding Agreement (MOU/IFA), monitoring, and conflict of interest. These policies are posted on the ARIZONA@WORK website at: www.arizonaatwork.com/about/workforce-arizona-council/policies-reports.

Arizona has additional groups that advise different ARIZONA@WORK program areas, including: (1) the Arizona Apprenticeship Advisory Committee, which provides advice and guidance to the Arizona Registered Apprenticeship Program to support LWDBs to increase apprenticeship opportunities; and (2) the Arizona State Rehabilitation Council, which advises, evaluates, and partners with the State's vocational rehabilitation program.

In 2019, the Council revised the local governance and selection of provider policies, the Council also created a conflict of interest policy to provide further guidance on the requirements for LWDB and Chief Elected Official (CEO) roles and responsibilities. This policy addresses internal firewalls for the different roles various entities undertake for administration of the 12 LWDA's.

Services to Employers:

Businesses are central to the ARIZONA@WORK system, driving economic growth and ensuring a job-driven workforce. The LWDBs and their service providers assist businesses by matching job openings with skilled workers, listing employment opportunities in Arizona Job Connection (AJC), Arizona's web-based job-matching and labor market information system, and referring qualified job seekers to these jobs. ARIZONA@WORK Business Services staff provide public, public-limited, and private access to employer information based on the request of the employer, allowing the ability to avail the job opening(s) to all job seekers or provide a customized match for the employer. Employers also have the ability to utilize ARIZONA@WORK as the sole source of recruitment needs and receive only qualified referrals.

Initial and ongoing meetings with employers establish the communication to help determine what jobs are in demand in an LWDA, the types of training and credentials that individuals need to be qualified for these positions, development of career pathways, and identification of sector strategies, leading to a job-driven workforce system. When these collaborative environments are developed, strengthened, and aligned, they lead to enhanced services and matching effectiveness. When employers become more familiar with the services, their interest in providing opportunities for job seekers expands into participation in work-based training models, such as on-the-job training, customized training, and apprenticeship opportunities.

Arizona's business services model is focused on consulting with businesses and providing value added services and solutions to meet the business' needs. This is accomplished by ARIZONA@WORK business services teams from across the state who aim to work collaboratively and strategically as workforce system partners to support statewide and local strategies and goals. Business services teams provide a wide array of supportive services to employers, including:

- Outreach to employers to meet the needs of applicant pools;
- Conducting on-site meetings with employers to assess their needs and develop a strategy;
- Developing comprehensive job announcements that clearly illustrate needed qualifications, educational and experience requirements;
- Plan, support, promote, and manage the logistics of customized recruitment events to meet employer demand;
- Applicant screening to match job seekers who meet specific skill requirements;
- Informing employers of career and training services such as On-the-Job Training programs, Incumbent Worker Training programs, Customized Training programs, industry and sector strategies and career pathways initiatives;
- Promoting Apprenticeship opportunities and provide assistance to become a registered program;
- Providing current and tailored labor market Information based on industry trends;
- Advocating the hiring of Veterans and promote the benefits to the employer;
- Educating employers on workforce solutions such as the Work Opportunity Tax Credit, Federal Bonding, and candidate pool availability;
- Supporting businesses and affected workers through Rapid Response activities;

- Coordinating for companies to hold meetings, provide training, conduct orientations, or schedule interviews at job centers;
- Consistent communication and follow up with employers to facilitate the relationship building process;
- Supporting the navigation of business services provided by ARIZONA@WORK and other entities;
- Establishing work-based learning models;
- Utilizing Integrated Education and Training programs to fill identified vacancies; and
- Participating in sector partnerships and industry led projects.

Services to Individuals:

Services are provided for adults, dislocated workers, and youth; individuals with disabilities; English language learners and adult education students; actively engage Veterans and other priority and special populations (as defined in WIOA). Workforce services provided to individuals based on individual qualifications include:

- Outreach, intake and orientation to information and other services available through the ARIZONA@WORK one-stop system;
- Determination of services an individual is eligible to receive;
- Assistance developing an individualized employment plan;
- Initial assessment of skill levels as conducted by each program (e.g., Vocational Rehabilitation (VR) participants receive additional psychological or medical evaluation to ascertain a diagnosis, vocational testing to assess aptitudes and skills, assessment to determine assistive technology needs, and trial work experiences to evaluate an individual's capacity to perform in competitive and integrated employment settings);
- Provision of information on potential employment options based on labor market information including: (i) nontraditional employment options and In-Demand industry sectors and occupations; (ii) Job vacancy listings in labor market areas; (iii) Information on job skills necessary to obtain the vacant jobs listed; and (iv) Achievable employment goals based on the knowledge, skills, abilities, capabilities, and interests of the individual;
- Provision of performance information and program cost information on eligible providers of training;
- Information regarding how the LWDA is performing on local performance accountability measures, as well as any additional performance information related to the local ARIZONA@WORK system;
- Group and/or individual counseling and mentoring;
- Career planning;
- Case management;
- Short-term pre-vocational services;
- Financial literacy services;
- Out-of-area job search assistance and relocation assistance;
- Availability of supportive services or other programs providing assistance;

- Referrals for employment and/or other services; and
- Follow up services.

A core piece of services to individuals is the education and training provided to qualified individuals. This may include support obtaining:

- Work-based learning (on-the-job training, apprenticeships, incumbent worker training, customized training, etc.);
- Work Experience (e.g. internships, pre-apprenticeships, etc.);
- Training to obtain In-Demand Occupations with industry recognized credentials;
- Adult education and literacy courses (English language acquisition and integrated education and training programs);
- Career and Technical Education (CTE); and
- Integrated education and training programs.

Specific Services for Youth:

Title I-B Youth Program supports youth to obtain employment in a career pathway, or enrollment in postsecondary education or a Registered Apprenticeship, prior to the end of participation. The program provides services to youth with barriers to employment, with a targeted focus on supporting the educational and career success of out-of-school youth.

The program ensures the availability for all eligible youth, the 14 elements required in WIOA and provides, as appropriate:

- Linkages and referrals to supportive services;
- Interaction with classroom and on-site training staff;
- Interaction with other professionals or family members having influence with the youth;
- Performance coaching/counseling;
- Comprehensive guidance counseling;
- Follow-up and supportive services;
- Through interaction with the participant, identify and assist to resolve issues and challenges that may impede progress and success;
- Links to appropriate professionals and/or supporting resources; and
- Development of Individual Service Strategy (ISS) with goals, progress, and goal attainment development.

Title IV offers a specific set of job readiness services, Pre-Employment Transition Services (Pre-ETS), to all students with documented disabilities who are between the ages of 14 and 22 and enrolled in an educational program. These services are intended to help students with disabilities prepare for future employment; are short in duration; and include job exploration, work-based learning experiences, counseling on postsecondary training opportunities, work readiness training, and instruction in self-advocacy.

For more information about the services to individuals provided by the core programs, please see the policy guidance below.

Title I: <https://des.az.gov/services/employment/workforce-innovation-opportunity-act/policy-and-procedure-manual-workforce>

Goal 1- Promote a Strong Economy

Build Arizona's capacity to attract, retain, and grow thriving businesses

- Strengths
 - Utilize partnerships between core partners, ACA/OEO, and LWDBs
 - Common focus to support In-Demand Industries

- Weaknesses
 - Lack of effective, extensive engagement strategy
 - Insufficient coordination between workforce and economic development efforts

Goal 2- Support Business Needs

Serve Arizona job creators by understanding, anticipating and helping them meet workforce needs

- Strength
 - Current sector strategies and related education to individuals to support employer needs

- Weakness
 - Lack of coordinated, consistent business support efforts across the state

Goal 3- Prepare job seekers: defend against poverty

Prepare and match job seekers to a job creator for a successful career that provides amply

- Strength
 - Efforts to support participants as early as possible to obtain core employment and basic skills services

- Weaknesses
 - Lack of statewide model for career pathways
 - Insufficient service integration across partners making it harder to support individuals with barriers

Goal 4 - Protect Taxpayers by providing efficient, accountable government services

Accelerate measurable impact and performance for less cost

- Strength
 - Standards and expectations of delivery system (unified support of four target areas)

- Weaknesses
 - Inconsistent and/or limited co-enrollment across ARIZONA@WORK programs
 - Data system and reporting improvements needed by ARIZONA@WORK partners

- Insufficient interoperability of data systems across ARIZONA@WORK programs
- Insufficient data reporting to enable data driven decisions that support continuous improvement (e.g. reporting the employment success rate in education and training provided)

C. State Workforce Development Capacity.

To implement WIOA requirements and strategies to meet the goals of this Plan, ARIZONA@WORK needs to identify its capacity of the teams making up the ARIZONA@WORK system. Below is a summary of the State and LWDB team’s efforts to support Arizona’s workforce system.

Local Workforce Development Boards

The 12 LWDBs in Arizona serve as strategic conveners to promote and broker effective relationships between the Chief Local Elected Officials and economic, education, and workforce partners throughout the LWDA. The LWDBs are responsible for developing strategies to continuously improve and strengthen the workforce development system in their local areas. This includes, but is not limited to, assessing the capacity of the ARIZONA@WORK one-stop and other local partners, who together implement WIOA services in the LWDA. LWDBs conduct an assessment and describe the ARIZONA@WORK workforce development activities in their local plans. New local plans will be developed by the LWDBs to include local capacity to implement workforce development activities after the State Plan is finalized.

In the MOUs developed with the ARIZONA@WORK partners, LWDBs describe the operation of the one-stop delivery system in the LWDA. As Arizona implements the strategies in this Plan, LWDBs will be engaged to continuously assess capacity with ARIZONA@WORK partners to implement those strategies, checking and adjusting the implementation as appropriate.

ARIZONA@WORK Business Services

Who is Served: Employers across Arizona are engaged and are provided with a tailored plan to meet their workforce needs. This includes listing available job opportunities, assisting with recruitment, and identifying talent pipelines to ensure that businesses have the necessary personnel for growth and success.

Capacity Metric(s):

| Reported Information | Employer Penetration | Workforce Recruitment Assistance |
|----------------------|----------------------|----------------------------------|
| PY17 | 12,204 | 14,800 |
| PY18 | 23,782 | 23,621 |

Program Description: The State business services team, which includes the Local Veterans Employment Representative's (LVER's), works in collaboration with LWDA business teams to provide seamless engagement with employers. This cohesive business services model allows Arizona to fully leverage engagement with employers across the State and advocate for and connect businesses to a diversified candidate pipeline across ARIZONA@WORK programs.

Title I: Adult, Dislocated Workers and Youth

Who is Served: LWDBs provide Title I-B services through contracts or grants to eligible adults, dislocated workers, and youth (aged 14 to 24). Services assist individuals, particularly those with barriers to employment, to increase access to employment, retention, earnings, and attainment of recognized postsecondary credentials.

Capacity Metric(s):

| Reported Information | Adults | Dislocated Workers | Youth |
|--------------------------------|--------|--------------------|-------|
| PY17 Total Participants Served | 10,250 | 955 | 4,204 |
| PY18 Total Participants Served | 11,440 | 994 | 4,194 |

Program Description: In the Title I-B Adult Program, priority of services is provided to Veterans and covered persons receive priority of service who are: receiving public assistance, low income, or basic skills deficient. The next priority is non-veterans who are receiving public assistance, low income, or basic skills deficient. The Title I-B Dislocated Worker Program serves individuals who have been laid off through no fault of their own or who are displaced homemakers. The Title I-B Youth services are provided to youth, 14 to 24 years of age, with 75 percent of funding focused on serving out-of-school youth.

Title II, Adult Education:

Who is Served: Adult Education students must be 16 years of age or older, not enrolled or required to be enrolled in secondary school under A.R.S. § 15-802, and basic skills deficient, lack a secondary school diploma or its equivalent, or English language learners. Additionally, adult education students must meet the eligibility requirements in A.R.S. § 15-232 of being lawfully present in the United States.

Capacity Metric(s):

| Reported Information | Total Enrolled | Total Hours of Instruction |
|----------------------|----------------|----------------------------|
| PY17 | 13,705 | 1,160,780 |
| PY18 | 12,937 | 1,140,591 |

Program Description: This program provides adult education and literacy services throughout the state to assist adults to become literate and obtain the knowledge and skills needed for employment and economic self-sufficiency. Program activities include classes to assist in the attainment of a secondary diploma, English language skills, basic academic skills, civics engagement, workforce preparation, and transition to postsecondary education/training through career pathways.

Title III: Wagner-Peyser Program

Who is served: The Title III Wagner-Peyser program, also known as Employment Services, provides basic and individualized career services to job seekers and job development services to Arizona employers. Veterans and covered persons receive priority of service.

Capacity Metric(s):

| Reported Information | Total Participants Served | Total Exiters |
|-------------------------|---------------------------|---------------|
| PY17 Total Participants | 58,718 | 47,791 |
| PY18 Total Participants | 39,969 | 39,051 |

Program Description: Employment Services seeks to improve the functioning of Arizona's labor markets by bringing together individuals seeking employment with employers seeking workers. Employment Services, a core partner in the ARIZONA@WORK system, co-locates in job centers with other network partners across the state and align performance accountability indicators with other federal workforce programs. Basic services include skill assessment, labor market information, referrals to support service programs and job search and placement assistance. Individualized services include career and vocational counseling.

Title IV: Vocational Rehabilitation

Who is Served: The VR Program provides rehabilitation and employment services to individuals with disabilities. Students with documented disabilities in the state of Arizona who are between the ages of

14 to 22 and enrolled in an education program are able to receive a limited set of work preparation services to prepare for future employment. To be eligible for the full range of VR services, individuals must have a documented disability, the disability must present a barrier to competitive and integrated employment, and the individual must require VR services in order to achieve competitive and integrated employment.

Capacity Metric(s):

| Reported Information | Participants* |
|----------------------|---------------|
| PY17 | 16,105 |
| PY18 | 15,690 |

*A participant is an individual who has an approved Individualized Plan for Employment and is receiving VR services.

Program Description: The VR Program provides services and supports to assist individuals with disabilities to obtain, maintain, regain, or advance in competitive and integrated employment. VR services are individualized and adapted to meet each eligible individual’s specific vocational goal and disability-related needs. Examples of services available through the VR Program include assessments for determining eligibility and rehabilitation needs, vocational guidance and counseling, job development and retention, vocational/educational training, mobility training, adjustment to disability training, and rehabilitation technology.

ARIZONA@WORK Public Information Office

The ARIZONA@WORK Public Information Office provides the following services:

- Communication: assist LWDAs with communication efforts including, material templates, content and design, promotion assistance of events and workshops, and website usage. Materials promote ARIZONA@WORK services and events to act as reference points for customers and staff, such as flyers, banners, pamphlets, posters, postcards, etc. Digital materials include videos, newsletters, social media posts, infographics, charts, and articles promoting ARIZONA@WORK programs and successes.
- Internal and external communication: critical messages are provided to the internal network to disseminate important updates, events, and news.
- Branding: includes efforts such as the ARIZONA@WORK Style Guide to meet WIOA and State policy requirements to ensure brand consistency throughout the state.
- Social Media and Data: serving as the bridge to connect ARIZONA@WORK with the public, ARIZONA@WORK Public Information Officers (PIOs) manage the network’s social media presence and assists the LWDAs with their local social media accounts.
- ARIZONA@WORK website: manage the general website content and delegate responsibilities to LWDAs to maintain area-specific content.

ARIZONA@WORK Facebook accounts reach thousands of people across the state each week, and all combined accounts have approximately 8,500 followers. The improved ARIZONA@WORK website launched in April 2019 and is a powerful feature to distribute resource information and guide clients and prospective clients to find ARIZONA@WORK locations near them. In July 2019, the site had:

- 89,839-page views with an average time on pages 1:47.
- 31,269 sessions: 1.35 sessions per user; average duration 3:22 minutes; 2.87 pages viewed per session; and 23,186 total users (sessions equal a single visit to website. Page views equal each page loaded by a user).

Eligible Training Provider List (ETPL)

Who is served: The Eligible Training Provider List (ETPL) is a resource to be used by participants in the Adult, Dislocated Worker, and Out-of-School Youth programs as mandated by the WIOA.

Capacity Metrics: The PY 2018 ETPL totals, per AJC report, shows 227 Eligible Training Providers, 438 Initial Programs^[15], and 822 Subsequent Programs active on the ETPL.

Program Description: The ETPL Program consists of approved educational providers who offer training services to meet the skill and educational development need of Adult, Dislocated Worker, and Out-of-School Youth program participants, including those who are disabled and/or require VR services. Eligible Training Provider (ETP) programs approved for the ETPL must be focused on In-Demand occupations within the LWDA they are located and must result in certification or accreditation. Each ETP is evaluated by the LWDB ETPL approver using criteria that include the demand for occupations in the LWDA and align with the sector strategies and respective local plans.

[15] Programs are approved initially for a period of one year then are reviewed every two years for continued eligibility. Initial Programs are those in the first year of approval.

b. State Strategic Vision and Goals

The Unified or Combined State Plan must include the State's strategic vision and goals for developing its workforce and meeting employer needs in order to support economic growth and economic self-sufficiency. This must include—

1. Vision

Describe the State's strategic vision for its workforce development system.

2. Goals

Describe the goals for achieving this vision based on the analysis in (a) above of the State's economic conditions, workforce, and workforce development activities. This must include—

(A) Goals for preparing an educated and skilled workforce, including preparing youth and individuals with barriers to employment⁸ and other populations.⁹

(B) Goals for meeting the skilled workforce needs of employers.

[8] Individuals with barriers to employment include displaced homemakers; low-income individuals; Indians, Alaska Natives, and Native Hawaiians; individuals with disabilities, including youth who are individuals with disabilities; older individuals; ex-offenders; homeless individuals, or homeless children and youths; youth who are in or have aged out of the foster care system; individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers; eligible migrant and seasonal farmworkers (as defined at section 167(i) of WIOA and Training and Employment Guidance Letter No. 35-14); individuals within 2 years of exhausting lifetime eligibility under the Temporary Assistance for Needy Families Program; single parents (including single pregnant women); and long-term unemployed individuals.

[9] Veterans, unemployed workers, and youth and any other populations identified by the State.

3. Performance Goals

Using the tables provided within each Core Program section, include the State's expected levels of performance relating to the performance accountability measures based on primary indicators of

performance described in section 116(b)(2)(A) of WIOA. (This Strategic Planning element only applies to core programs.)

4. Assessment

Describe how the State will assess the overall effectiveness of the workforce development system in the State in relation to the strategic vision and goals stated above in sections (b)(1), (2), and (3) and how it will use the results of this assessment and other feedback to make continuous or quality improvements.

1. Vision

Governor Doug Ducey's vision for Arizona is to build a pro-growth economy that provides opportunity for all and creates prosperous communities. This means ensuring that all Arizonans eligible to work, regardless of their circumstance, background, social status or zip code, have access to the best economic opportunity, educational options, healthcare services, safety system and overall quality of life as possible.

State Priorities Established by Governor Ducey:

- Government working at the speed of business
- Equal access to education
- Opportunity for all
- Pro-growth economy

The ARIZONA@WORK system, led by the Council, plays a key role in building the skills and abilities of people to meet the workforce needs of employers. This includes creating meaningful linkages between the education and workforce systems, aligning data so that metrics can be better defined and more easily measured, and helping people of all backgrounds gain employment and prosper in a rapidly changing economy.

Through the required coordination of core programs and the inclusion of industry, WIOA presents an extraordinary opportunity to improve the efficiency, relevance and productivity of the workforce system. Uniting under this state plan and a common identifier, the system players will engage in strategic partnerships that strengthen the State's ability to encourage economic growth by leveraging its qualified workforce. With the Governor and Council providing leadership and direction, DES, ADE, ACA, and additional ARIZONA@WORK partners will work together to provide services that ultimately meet the needs of job creators needing skilled workers in growing and In-Demand industries and individuals in need of fulfilling employment.

Ensuring the quality and ease of services provided by the workforce system requires integrated service delivery that includes high-quality professional staff to deliver work readiness skills for job seekers that will complement occupational skills training and business services. The system will strive to create career pathways, aligned to industry needs, which combine education and training opportunities in a way that supports individuals gaining buildable knowledge, skills, and abilities throughout their careers. Connecting programs, services and systems will require collaboration around building a strong data infrastructure and metric measuring tools.

By leveraging improved data and the perspective and input of industry in the decisions made at the state and local levels, ARIZONA@WORK will ensure it is fulfilling its value as an economic development asset. The strategies within this plan will set the State on the path to implementing key activities that will drive this vision of an integrated, efficient and productive workforce system.

2. Goals

The four goals identified for the ARIZONA@WORK system (*listed below*) were developed to ensure a customer centric workforce system. Each goal focuses on a primary target customer of workforce

services. To achieve each goal, regular consideration of the current economic trends and workforce patterns will be required. The latest economic and workforce analysis available during the writing of this plan can be found in section I.(a).

- Goal 1: Promote a Strong Arizona Economy - *Build Arizona's capacity to attract, retain and grow thriving businesses.*
- Goal 2: Serve Business Needs - *Serve Arizona job creators by understanding, anticipating and helping them meet workforce needs (including meeting the skilled workforce needs of employers).*
- Goal 3: Prepare Job Seekers; Defend Against Poverty - *Prepare and match job seekers to a job creator for a successful career that provides amply (preparing an educated and skilled workforce, including youth and individuals with barriers to employment and other populations).*
 - *Some specific populations Arizona is striving to make significant improvement for include those mentioned as key populations within the economic and workforce analysis section of this plan:*
 - *Individuals with Disabilities :*
 - *Increase competitive integrated employment opportunities for individuals with disabilities.*
 - *Improve access to services for people with disabilities in the job centers across Arizona.*
 - *Increase knowledge of local workforce partners about the Governor's Executive Order on Employment First to improve employment outcomes for individuals with disabilities.*
 - *Veterans:*
 - *Increase access to ARIZONA@WORK services*
 - *Facilitate the provision of services to veterans.*
 - *Previously Incarcerated Individuals:*
 - *Increase access to ARIZONA@WORK services*
 - *Increase employment outcomes for individuals releasing from incarceration.*
 - *Low Academic Individuals and English Language Learners:*
 - *Increase the number of individuals who improve academic or english language skills.*
 - *Increase the number of individuals who obtain industry recognized credentials.*
 - *Increase the number of individuals receiving a secondary diploma and transitioning to post-secondary education or employment in Arizona.*
- Goal 4: Protect Taxpayers by Providing Efficient, Accountable Government Service - *Accelerate measurable impact and performance for less cost.*

3. Performance Goals

The Performance Goals for Core Programs are written in their respective sections of this document.

4. Assessment

Through Governor Ducey, and endorsed by the Council, Arizona is deploying a professional, results-driven management system, the Arizona Management System (AMS), to transform the way government thinks and does business. AMS is built on lean principles and focuses on people through transformation processes while striving to improve the outcomes for customers. Through training and coaching, staff will be empowered to make data-driven decisions, use a common problem-solving process, and track progress through visual controls. This affords staff greater creativity and control while expanding capacity to do more good for all ARIZONA@WORK customers.

At the State level, the Council, ADE, and DES will assess the overall health of the ARIZONA@WORK system through a check and adjust process, using lead measures for the State's strategies and other critical measures to improve the overall system and meet or exceed the federal performance measures. Using a dashboard on the ARIZONA@WORK website, agency scorecards, and tiered measures throughout the system, teams at all levels will be able to quickly identify progress and slippage, problem solve to identify root causes, and implement countermeasures to course-correct and/or improve the measures. Regular reviews with the Council and/or the appropriate committee will ensure ongoing input and assessment of the ARIZONA@WORK system.

Throughout the ARIZONA@WORK system, the evaluation of improvements will be continuous, with the goal of ARIZONA@WORK staff at all levels creating teams to solve problems, improving processes using standard problem-solving techniques while measuring progress to make those processes better, faster, and more cost efficient.

c. State Strategy

The Unified or Combined State Plan must include the State's strategies to achieve its strategic vision and goals. These strategies must take into account the State's economic, workforce, and workforce development, education and training activities and analysis provided in Section (a) above. Include discussion of specific strategies to address the needs of populations provided in Section (a).

1. Describe the strategies the State will implement, including industry or sector partnerships related to in-demand industry sectors and occupations and career pathways, as required by WIOA section 101(d)(3)(B), (D). "Career pathway" is defined at WIOA section 3(7) and includes registered apprenticeship. "In-demand industry sector or occupation" is defined at WIOA section 3(23)

2. Describe the strategies the State will use to align the core programs, any Combined State Plan partner programs included in this Plan, required and optional one-stop partner programs, and any other resources available to the State to achieve fully integrated

customer services consistent with the strategic vision and goals described above. Also describe strategies to strengthen workforce development activities in regard to weaknesses identified in section II(a)(2)

c. State Strategy

ARIZONA@WORK developed strategies based on the goals and strengths and weaknesses identified from a cross-functional team, including representatives from the Council, core programs, and the LWDBs. Arizona's goals are interdependent, with many strategies affecting more than one goal to create and promote a holistic system to benefit ARIZONA@WORK customers.

The strategies are also based on the systemwide workforce development activities noted in section (a). Rather than identify strategies that were unique to the activities of one ARIZONA@WORK partner, this plan focuses on strategies that will engage multiple partners and teams to implement changes benefiting the system as a whole. This Plan intends for partners to directly or indirectly provide input across strategies, reflecting their role as part of a larger ARIZONA@WORK system.

Strategies included:

1. Promote industry sector partnerships/projects
2. Develop and implement a communication and outreach plan to promote awareness and utilization of the ARIZONA@WORK system
3. Increase and improve coordination between workforce, education, and economic development efforts at the state and local level
4. Ensure training provided to job seekers and workers has a focus on transferable skills
5. Create a comprehensive business engagement plan to support consistency and availability of services
6. Implement framework for supporting a statewide model for career pathways based on the identified In-Demand industries and occupations, connecting the education and incorporating appropriate flexibility for regional variation
7. Improve processes for co-enrollment across partners to share costs and case management to better serve customers
8. Enhance initiatives supporting populations with barriers to employment to ensure customers are receiving needed services efficiently including populations identified in section (a)
9. Create a consistent system for continuous improvement
10. Identify data system solutions to enhance the interoperability and quality of data for use across ARIZONA@WORK programs

1. Describe the Strategies the State will Implement

ARIZONA@WORK identified the following strategies to support industry partnerships in In-Demand industries and career pathways:

- Promote industry sector partnerships/projects in In-Demand Industries.
 - Strategy implementation will focus support and project development for the State In-Demand Industry Sectors including: Construction, Health & Social Services, Professional, Finance & Insurance, Manufacturing, Transportation & Warehousing, and Information Technology.

- Implement a framework for supporting a statewide model for career pathways based on the identified In-Demand industries and occupations, incorporating appropriate flexibility for regional variation.

Areas for improvement in the current implementation of these strategies include expanding coordination across the ARIZONA@WORK system to develop career pathways and sector partnerships. Through the cross-partner engagement in the development and identification of capacity for the strategies in this plan, Arizona intends to identify best practices at the national, state, and local level to increase sector partnerships and implement a career pathway framework and also improve the quality by improving communication and coordination of services across ARIZONA@WORK partners. As a part of the overall strategy for developing a career pathway framework, Arizona intends to develop methods for connecting all core Title partner participants to diverse career pathway opportunities including CTE, Registered Apprenticeship programs, etc.

2. Describe the Strategies the State will Use to Align the Core Programs

ARIZONA@WORK identified the following strategies to align core programs, required and optional one-stop partner programs, and other State resources:

- Increase and improve coordination between workforce and economic development efforts at the state and local level.
- Create a comprehensive business engagement plan to support consistency and availability of services.
- Implement a framework for supporting a statewide model for career pathways based on the identified In-Demand industries and occupations, incorporating appropriate flexibility for regional variation.
- Improve processes for co-enrollment across partners to share costs and case management to better serve customers.
- Identify data system solutions to enhance the interoperability and quality of data for use across ARIZONA@WORK programs.

The strategies developed to strengthen system weaknesses include strategies 2, 3, 5, 6,7,8, and 10 seen in section c above.

III. Operational Planning Elements

The Unified or Combined State Plan must include an Operational Planning Elements section that supports the State's strategy and the system-wide vision described in Section II(c) above. Unless otherwise noted, all Operational Planning Elements apply to Combined State Plan partner programs included in the plan as well as to core programs. This section must include—

a. State Strategy Implementation

The Unified or Combined State Plan must include—

1. State Board Functions

Describe how the State board will implement its functions under section 101(d) of WIOA (i.e., provide a description of Board operational structures and decision making processes to ensure such functions are carried out).

The Council is the State workforce board which assists the Governor in carrying out the 12 functions under section 101(d) of WIOA. The Council is led by an executive committee consisting of the Council chair and the chairs of the Council's four standing committees. The four committees align with the 12 functions and will drive the implementation of the State Plan. State and Council staff will provide regular updates to the committees and quarterly presentations to the Council, allowing for transparency and supporting informed decision-making around governance, programmatic, and fiscal requirements. The Chair, on behalf of the Council, will make quarterly recommendations to the Governor.

2. Implementation of State Strategy

Describe how the lead State agency with responsibility for the administration of each core program or a Combined Plan partner program included in this plan will implement the State's Strategies identified in Section II(c). above. This must include a description of—

A. Core Program Activities to Implement the State's Strategy

Describe the activities the entities carrying out the respective core programs will fund to implement the State's strategies. Also, describe how such activities will be aligned across the core programs and Combined State Plan partner programs included in this plan and among the entities administering the programs, including using co-enrollment and other strategies, as appropriate.

The following table provides the State's strategies for the next four years, including implementation activities for each strategy:

| Strategies | Implementation |
|--|--|
| 1. Promote industry sector partnerships/projects | <ul style="list-style-type: none"> A. Identify best practices for cross-partner industry sector partnerships/projects for In-Demand Industries B. Expand the talent pipeline for In-Demand Industries by engaging educational institutions, industry, economic development, and workforce development in an integrated way in Arizona's rural and urban settings |
| 2. Develop and implement a communication and outreach plan to promote awareness and utilization of the ARIZONA@WORK system | <ul style="list-style-type: none"> C. Expand policy and create guidance/tools for State and local workforce development areas on use of ARIZONA@WORK branding D. Increase staff knowledge of all ARIZONA@WORK services E. Strengthen partnerships between core and ARIZONA@WORK partners F. Expand and improve partnerships with community organizations G. Increase use of and quality of technology-based communications with customers and partners (e.g. social media) H. Develop an awareness implementation plan focused on communicating opportunities to support businesses with solutions through the life of the business cycle, and individuals to gain employment at family-sustaining wages |
| 3. Increase and improve coordination between workforce, education | <ul style="list-style-type: none"> I. Identify, implement, and maintain best practices for state and local coordination between economic, education and workforce development to ensure businesses and job seekers are |

| | |
|--|---|
| <p>and economic development efforts at the state and local level</p> | <p>efficiently and appropriately matched, including participation in economic development associations</p> |
| <p>4. Ensure training provided to job seekers and workers has a focus on transferable skills</p> | <p>J. Identify the knowledge, skills, and abilities needed for occupations in In-Demand Industries K. Educate ARIZONA@WORK staff and customers (individuals and businesses) in how to use transferable skills L. Create an enhanced screening process to identify transferable skills of job seekers M. Increase staff knowledge of all ARIZONA@WORK education and training services N. Engage training providers/partners to increase awareness of the need for transferable skills in curricula based on business needs</p> |
| <p>5. Create a comprehensive business engagement plan to support consistency and availability of services</p> | <p>O. Include standard training for ARIZONA@WORK Business Service Representatives P. Assist businesses to utilize work-based training, diversify registered apprenticeships, and upskill workers to increase employee recruitment and retention Q. Expand network to deliver solutions, including work-based training models, across the business lifecycle R. Ensure solutions are developed that support rural and urban business needs</p> |
| <p>6. Implement framework for supporting a statewide model for career pathways based on the identified In-Demand industries and occupations, connecting the education and incorporating appropriate flexibility for regional variation</p> | <p>S. Ensure career pathway model provides inclusive opportunities for all ARIZONA@WORK customers, including the development of tool(s) for ARIZONA@WORK partners T. Ensure career pathways are based on labor market information U. Engage the business community in developing training V. Clearly identify industry-recognized credentials (including non-degree credentials) W. Prioritize career pathway project(s) on In-Demand Industries and Occupations X. Engage and support statewide and local efforts in the development of a statewide talent pipeline, to include coordinating with state initiatives</p> |
| <p>7. Improve processes for co-enrollment across partners to share costs and case management to better serve customers</p> | <p>Y. Identify best practices for strategic co-enrollment across ARIZONA@WORK partners Z. Analyze case management requirements to find opportunities to streamline supports and services AA. Utilize comprehensive and standard common intake, assessment, referral processes</p> |

is housed in DES and staff participate in statewide and local activities with the Council and LWDBs to align apprenticeship information and opportunities for businesses and individuals.

The 12 LWDBs, with the required ARIZONA@WORK and other local partners, will coordinate implementation to align with the State's strategies. The LWDBs set local strategy, aligned with the state's strategy, and through their local plans and MOU, will describe their coordination efforts to streamline processes and capitalize on all resources to best serve ARIZONA@WORK customers. Many of the required local partners are co-located within the ARIZONA@WORK Job Centers, such as TANF Jobs, the Reemployment Services and Eligibility Assessments (RESEA) program, and Jobs for Veterans State Grants (JVSG) program staff, to facilitate increased communication and continuous improvement activities.

The cross-functional teams will use shared expertise, successes and challenges, and together implement the strategies for the State plan. The strategies will be measured, and problem solving will be implemented to check and adjust throughout the life of the Unified State Plan to continue improvement for the goals of the ARIZONA@WORK system. Specific strategy implementation with core programs and alignment with activities outside the Unified State Plan includes:

Strategy 2 Implementation: To expand knowledge and understanding of the ARIZONA@WORK system, a cross-functional team will develop an awareness implementation plan to promote a common understanding of the system across all partners. For example, sharing knowledge from Disabled Veterans' Outreach Program (DVOP) staff and Local Veterans' Employment Representatives (LVERs) will expand overall knowledge to identify and engage veterans and businesses providing employment opportunities to veterans, to improve priority of service and employment for veterans throughout Arizona. Through this common understanding, ARIZONA@WORK staff will have a common language to engage education, workforce, and economic development entities to strengthen partnerships, engage new partners, and better leverage and share expertise and resources across the system.

Strategy 9 Implementation: To create a consistent system for continuous improvement, Arizona will continue its deployment of its results-driven management system, envisioned by Governor Ducey and endorsed by the Council, to improve outcomes for employers and job seekers. This system supports teams to identify problems, work through a problem-solving process to determine the root causes of the problem, and then implement solutions, using a check-and-adjust methodology to ensure and support continued improvement. To support all individuals implementing the system, Arizona will research approaches that drive culture change through innovative staffing/hiring practices across ARIZONA@WORK.

Strategy 10 Implementation: Through the identification of data system solutions, ARIZONA@WORK partners will prevent duplication of services and enhance partnering to streamline services within the ARIZONA@WORK system. Creative solutions for data challenges are intended to improve management of and streamline services to co-enrolled individuals, track individuals through workforce, education, and community programs, and provide critical data to continuously improve services to customers.

[17] Labor market data is available on the Office of Economic Opportunity's labor statistics website.

B. Alignment with Activities Outside the Plan

Describe how the activities identified in (A) will be aligned with programs and activities provided by required one-stop partners and other optional one-stop partners and activities provided under employment, training (including Registered Apprenticeships), education (including career and technical education), human services and other programs not covered by the plan, as appropriate, assuring coordination of, and avoiding duplication among these activities.

As fully described in Section III.(a)(2)(A), this Plan's strategies will include coordination with cross-functional teams to include required and other ARIZONA@WORK partners through regular meetings, representation on workgroups, input on written project plans and materials, and, collaboration for

discussion with the Council and its committees, as appropriate. ADE and DES together also administer nine Education and Employment Programs (CTE, CSBG, JVSG, MSFW, SCSEP, SNAP E&T, TANF Jobs, TAA, and UI), which increases the State's ability to leverage resources and coordinate as a system. Likewise, the State Office of Apprenticeship is housed in DES and staff will participate in statewide and local activities to implement the Unified State Plan's strategies with the Council and LWDBs to align apprenticeship information and opportunities for businesses and individuals.

The 12 LWDBs with the ARIZONA@WORK required and other local partners (e.g., Job Corps, YouthBuild, the U.S. Department of Housing and Urban Development [HUD] employment and training providers, and CTE providers), will coordinate implementation to align with the State's strategies. The LWDBs will set local strategy, aligned with the state's strategy, in their local plans, and coordinate with other local partners not included in this Plan, such as Low-Income Home Energy Assistance Program, Adult and Juvenile Correction agencies, local libraries, and city/town governments. Through the MOU, LWDBs will describe their coordination efforts with partners in the local area to streamline processes and capitalize on all resources to best serve ARIZONA@WORK customers. Many of the required local partners are co-located within the ARIZONA@WORK Job Centers, such as TANF Jobs, RESEA and JVSG staff, to facilitate increased communication and continuous improvement activities.

Specific strategy implementation with core programs and alignment with activities outside the Unified State Plan includes:

Strategy 2 Implementation: To expand knowledge and understanding of the ARIZONA@WORK system, a cross-functional team will develop an awareness implementation plan to promote a common understanding of the system across all partners. For example, sharing knowledge from DVOPs and LVERs will expand overall knowledge to identify and engage Veterans and businesses providing employment opportunities to veterans, to improve priority of service for Veterans throughout Arizona. Through this common understanding, ARIZONA@WORK staff will have a common language to engage education, workforce, and economic development entities to strengthen partnerships, engage new partners, and better leverage and share expertise and resources across the system.

Strategy 9 Implementation: To create a consistent system for continuous improvement, Arizona will continue its deployment of its results-driven management system, AMS, envisioned by Governor Ducey, and endorsed by the Council to improve outcomes for employers and job seekers. This system supports teams to identify problems, work through a problem-solving process to determine the root causes of the problem, and then implement solutions, using a check and adjust methodology to ensure and support continued improvement. To support all individuals implementing AMS, Arizona will research approaches that drive culture change through innovative staffing/hiring practices across the ARIZONA@WORK system.

Strategy 10 Implementation: Through the identification of data system solutions, ARIZONA@WORK partners will prevent duplication of services and enhance partnering to streamline services within the ARIZONA@WORK system. Creative solutions for data challenges are intended to improve management of and streamline services to co-enrolled individuals, track individuals through workforce, education, and community programs, and provide critical data to continuously improve services to customers.

C. Coordination, Alignment and Provision of Services to Individuals

Describe how the entities carrying out the respective core programs, Combined State Plan partner programs included in this plan, and required and optional one-stop partner programs will coordinate activities and resources to provide comprehensive, high-quality, customer-centered services, including supportive services (e.g. transportation), to individuals, including those populations identified in section II(a)(1)(B), and individuals in remote areas. The activities described shall conform to the statutory requirements of each program.

Over the next four years, ARIZONA@WORK partners will engage in cross-functional teams, using shared expertise, successes and challenges, and together implement the strategies for the State plan. The strategies will be measured, and problem solving will be implemented to check and adjust throughout the life of this Unified State Plan to continue improvement for the ultimate goals of the ARIZONA@WORK system. System-wide resources will be used, such as the Arizona Career Readiness Credential (ACRC), to promote a customer-centric model for identifying skills and assisting in job placement. Specific strategy implementation and alignment activities designed to coordinate the provision of services to individuals include:

Strategy 6 Implementation: Creating a framework to support statewide models for identified career pathways, all individuals, regardless of education or skill level or of the program serving them, will see a path based on their intended career. For example, students enrolled in adult literacy classes or individuals who are justice-involved and re-entering the workforce, will be able to identify where they are on a pathway of interest, what additional skills, training, and/or postsecondary credentials (including registered apprenticeships) are needed, and engage with the ARIZONA@WORK system to identify support and resources (e.g., transportation, training) to meet their goals. The pathways will utilize labor market information to ensure sustainable careers and engage partners (including eligible training partners and other educational institutions) and businesses to develop the pathways. Arizona intends to utilize the developed career pathways across all Core and non-core programs (e.g., TANF Jobs, SNAP E&T) to align as a system to assist all customers to meet their potential.

Strategy 7 Implementation: To streamline services to individuals, especially those with barriers to employment who may qualify for more than one program, a cross-functional team will identify best practices to improve processes for strategic co-enrollment across partners to share costs and case management. The team will capitalize on successes within Arizona, including the effort to increase co-enrollment between TAA and Title I-B, which through problem solving and implementing improvement strategies, resulted in doubling statewide co-enrollment across Arizona.

Strategy 8 Implementation: To ensure individuals who use the ARIZONA@WORK system can access the supports and services needed, Arizona will develop and implement a plan for universal design to remove barriers and create a system designed, to the greatest extent possible for all customers. Using the knowledge and successes of current core program implementation (Title II universal learning implementation through Center for Applied Special Technology [CAST] and Title IV's expertise in serving individuals with disabilities), ARIZONA@WORK will develop alternative delivery methods for services and training, e.g. use of technology, and educate and assist ARIZONA@WORK team members to support ARIZONA@WORK customers.

D. Coordination, Alignment and Provision of Services to Employers

Describe how the entities carrying out the respective core programs, any Combined State Plan partner program included in this plan, required and optional one-stop partner programs will coordinate activities and resources to provide comprehensive, high-quality services to employers to meet their current and projected workforce needs and to achieve the goals of industry or sector partners in the state. The activities described shall conform to the statutory requirements of each program.

Over the next four years, ARIZONA@WORK partners will engage in cross-functional teams using shared expertise, successes and challenges, and together implement the strategies for the State Plan. The strategies will be measured, and problem solving will be implemented to check and adjust throughout the life of this Unified State Plan to continue improvement for the ultimate goals of the ARIZONA@WORK system. Specific strategy implementation that coordinates and aligns the provision of services to businesses includes:

Strategy 1 Implementation: Arizona will utilize its successful strategies from prior sector partnerships by (i) OEO with manufacturing, construction, insurance, and hospitality, and (ii) LWDBs in locally identified In-Demand industries and engage ARIZONA@WORK partners to:

- Identify best practices to focus its sector partnerships in Arizona's In-Demand industries;
- Coordinate efforts with businesses using State and local workforce development board members and ARIZONA@WORK business service teams;
- Engage economic development partners through the Arizona Commerce Authority (ACA) and LWDBs' networks, and state and local economic government and associations;
- Identify educational partners to develop relevant curricula (such as CTE and eligible training providers); and
- Work with partners, such as Local First Arizona Foundation's Rural Development Council, to discover and support business needs in Arizona's rural and tribal areas.

Through these efforts, Arizona intends to expand the talent pipeline in the ARIZONA@WORK system to meet the identified industry needs through focused sector partnerships for In-Demand industries.

Strategy 5 Implementation: To support business throughout Arizona, a comprehensive business engagement plan will be developed engaging State business members, LWDB and area business representatives, and ARIZONA@WORK business service representatives. Input on the business engagement plan will be gathered from state agencies implementing the core programs, ADE and DES, LWDBs, as well as OEO and ACA, to support consistency and availability of comprehensive, high-quality business services throughout Arizona. The goal of the business engagement plan's implementation is to expand the ARIZONA@WORK network to deliver solutions across the business lifecycle, including assisting businesses to utilize work-based training models, diversify apprenticeship opportunities, and upskill workers to increase employee recruitment and retention.

E. Partner Engagement with Educational Institutions

Describe how the State's Strategies will engage the State's community colleges and area career and technical education schools, as partners in the workforce development system to create a job-driven education and training system. WIOA section 102(b)(2)(B)(iv).

Educational institutions are a critical partner to the success of the ARIZONA@WORK system, supporting (i) businesses to meet their need for a qualified workforce, and (ii) employed and unemployed individuals to obtain training and credentials, which lead to employment at family-sustaining wages. Community colleges, CTE providers, and other education partners (including those listed on the eligible training provider list) will be engaged to coordinate the strategies provided in this Plan.

ARIZONA@WORK partners will engage in cross-functional teams using shared expertise, successes and challenges, and together implement the strategies for the State plan. The strategies will be measured, and problem solving will be implemented to check and adjust throughout the life of the Unified State Plan to continue improvement for the ultimate goals of the ARIZONA@WORK system. Specific strategy implementation will include:

Strategy 1 Implementation: Arizona will utilize its successful strategies from prior sector partnerships by (i) OEO with manufacturing, construction, insurance, and hospitality, and (ii) LWDBs in locally identified In-Demand industries and engage ARIZONA@WORK partners to:

- Identify best practices to focus its sector partnerships in Arizona's In-Demand industries;
- Coordinate efforts with businesses using State and LWDB members and ARIZONA@WORK business service teams;
- Engage economic development partners through the ACA and LWDBs' networks, and state and local economic government and associations; and

- Engage educational partners identified within LWDA's to develop relevant curricula (such as CTE and eligible training providers).

Through these efforts, Arizona intends to expand the talent pipeline in the ARIZONA@WORK system to meet the identified industry needs through focused sector partnerships for In-Demand Industries.

Strategy 4 Implementation: ARIZONA@WORK partners will:

- Engage business partners and other state and national resources to identify the knowledge, skills, and abilities needed for occupations in In-Demand occupations;
- Collaborate with educational institutions and other partners to ensure transferable skills are embedded within curricula; and
- Engage eligible training providers and other LWDA education partners to increase awareness of the need for transferable skills in curricula based on business needs.

F. Partner Engagement with Other Education and Training Providers

Describe how the State's Strategies will engage the State's other education and training providers, including providers on the state's eligible training provider list, as partners in the workforce development system to create a job-driven education and training system.

ARIZONA@WORK partners will be identified to engage in cross-functional teams, using shared expertise, successes and challenges, and together implement the strategies for the State plan. The State's strategies will include engagement of LWDBs and their eligibility training providers, to assist in the development of project plans for the strategies to ensure the expertise of education providers is incorporated into, and the providers are a part of, implementation. Specific strategy implementation will include:

Strategy 6 Implementation: By implementing a framework for supporting statewide models for identified career pathways, all individuals, regardless of education, skills level, or program enrollment, will have a point of entry for the career path based on their specific career needs. For example, students enrolled in adult literacy classes or individuals who are justice-involved and re-entering the workforce will be able to identify where they are on a pathway of interest, what additional skills, training, and/or postsecondary credentials (including registered apprenticeships) are needed, and receive support from the ARIZONA@WORK system to identify support and resources (e.g., transportation, training) to meet their goals. The pathways will utilize labor market information to ensure sustainable careers and engage partners (including eligible training partners and other educational institutions) and businesses to develop the pathways. Arizona will coordinate across all core and non-core programs (e.g., TANF Jobs, MSFW, SNAP E&T) to share the developed career pathways to align as a system, and to assist all customers to meet their potential.

G. Leveraging Resources to Increase Educational Access

Describe how the State's strategies will enable the State to leverage other Federal, State, and local investments that have enhanced access to workforce development programs at the above institutions, described in section (E).

Arizona will include in its strategy implementation with ARIZONA@WORK core, required, and other partners, the identification of opportunities to leverage Federal, State, and local funding to expand access for individuals to the educational institutions identified in Sections III.(a)(2)(E) - (F) above. Arizona will engage with community colleges and other educational institutions to identify complementary activities, such as career counseling and job fairs, to explore more opportunities for coordination and sharing resources. Additional activities to increase educational access will include:

- Utilizing partners' expertise in strategic planning, grant planning and grant applications, and sector strategy teams for employer engagement and curriculum development using labor market data;
- Collaborating to identify and build on best practices, such as Arizona Integrated Basic Education and Skills Training programs (AZ-IBEST), YouthBuild, CTE Dual Enrollment, Carl D. Perkins Programs of Study, and Joint Technical Education Districts (JTED); and
- Exploring available financial aid and other funding opportunities for individuals.

The Vocational Rehabilitation program continues to partner with Western Maricopa Education Center to provide enhanced and structured transition services, which include occupational training and vocational services through the coordination, cooperation, and collaboration efforts of both parties.

H. Improving Access to Postsecondary Credentials

Describe how the State's strategies will improve access to activities leading to recognized postsecondary credentials, including Registered Apprenticeship certificates. This includes credentials that are industry-recognized certificates, licenses or certifications, and that are portable and stackable.

The focus of the State's strategies is for the ARIZONA@WORK system to produce a pipeline of qualified workers, including those who have earned recognized postsecondary credentials. Recognized postsecondary credentials demonstrate and document skills, and help employers fill skilled positions, create talent pipelines, and compete in the state and national economy. By increasing the number of skilled workers with recognized postsecondary credentials, businesses will be encouraged to expand and relocate to Arizona. The benefits of credentials for employed and unemployed individuals include improved labor market experience, higher earnings, greater job mobility and job security. Recognized postsecondary credentials include educational diplomas and certificates, educational degrees, such as an associate's (2-year) or bachelor's (4-year) degree; registered apprenticeship certificates, occupational licenses, and industry-recognized certificates including personnel certifications.

Strategy 4 Implementation: The ARIZONA@WORK system will engage business partners to identify the (i) knowledge, skills, and abilities needed for occupations in In-Demand occupations, including required postsecondary credentials, and (ii) opportunities for registered apprenticeships.

Strategy 6 Implementation: The ARIZONA @WORK system through its implementation of a framework for statewide models for identified career pathways will identify training paths in specific industries and occupations. The very nature of career pathways allows individuals to enter and exit the pathway at any level and identify the appropriate credential to allow for portability and stacking of training modules, and credentials as an important component of the career pathway development.

I. Coordinating with Economic Development Strategies

Describe how the activities identified in (A) will be coordinated with economic development entities, strategies, and activities in the State.

Over the next four years, ARIZONA@WORK partners will engage in cross-functional teams, using shared expertise, successes and challenges, and together implement the strategies for the State plan. The strategies will be measured, and problem solving will be implemented to check and adjust throughout the life of the Unified State Plan to continue improvement for the ultimate goals of the ARIZONA@WORK system. Specific strategy implementation will include coordination with economic development entities at both the state and local levels and alignment include:

Strategy 1 Implementation: State-level Industry Sector partnerships are created by leveraging Governor set-aside funds. Local Sector partnerships will be created by collaborating on existing statewide efforts, using the guidance developed to initiate a locally driven partnership or by seeking

technical assistance from the State economic development agency in providing Sector partnerships within the local area.

Strategies 2 and 3 Implementations: An awareness strategy to improve knowledge and understanding of the workforce, education, and economic systems in Arizona will provide the foundation and stimulus for opportunities across the systems at the state and local level. In addition, Arizona will leverage the expertise, strategies, and relationships built by ACA and LWDBs to increase and improve coordination between the ARIZONA@WORK system and economic development entities to increase the use of in-demand industries and industries targeted for growth in order to identify future workforce needs. As part of the strategy, ARIZONA@WORK intends to identify, implement, and maintain best practices for coordination between economic, education and workforce entities.

Strategy 5 Implementation: The Arizona Commerce Authority and Office of Economic Opportunity will provide guidance on the incorporation of economic development efforts into the business engagement plan supporting consistency of services provided to business.

Strategy 8 Implementation: Ensure that economic development solutions are considered as a part of collaborative efforts to provide workforce services to target populations (ex: Maryvale Workforce Initiative, Talent Pipeline Management, etc.).

b. State Operating Systems and Policies

The Unified or Combined State Plan must include a description of the State operating systems and policies that will support the implementation of the State strategy described in section II **Strategic Elements**. This includes—

n/a

1. The State operating systems that will support the implementation of the State's strategies. This must include a description of—

A. State operating systems that support coordinated implementation of State strategies (e.g., labor market information systems, data systems, communication systems, case-management systems, job banks, etc.)

The state operating systems across ARIZONA@WORK partners will provide coordinated, comprehensive services and access to resources that will support the implementation of this Plan's strategies that:

- Provide workforce solutions to meet the demands of businesses to support a strong and vibrant economy;
- Promote a customer-centric delivery system for businesses and job seekers that provides access to training and employment opportunities; and
- Produce strong partnerships that support regional economies based on data-driven decisions and focusing on continuous improvement and evaluation.

Arizona's labor market information systems will support the strategies in this Plan, including the identification of and changes to In-Demand industries and occupations, sector partnerships, and career pathways throughout the life of this plan. In addition, statewide and regional labor market information is available to businesses, job seekers, and ARIZONA@WORK staff through the

improved ARIZONA@WORK website, additionally providing easy access for all individuals engaged in implementing state strategies.

Communication systems will continue to improve through the coordinated efforts across core and other ARIZONA@WORK partners at the State and regional level to implement the strategies, including the development and implementation of an awareness of the ARIZONA@WORK system across the State. In addition, through enhanced communication, sharing resources, identifying best practices, and problem-solving, ARIZONA@WORK will continue to improve implemented solutions.

Through its strategy to identify data solutions to better serve businesses and individuals across programs, Arizona will:

1. Continue to improve the access for staff and participants of Arizona's ETPL as a source of training provider information for job seekers and employers.
2. Expand the interactive, online work performance dashboard located on the ARIZONA@WORK website. The dashboard provides a statewide and LWDA view of the effectiveness of workforce training programs using federal performance measures, and consolidates data on local labor market conditions, economic indicators, and local workforce system federal performance.
3. Use Benchmark Integrated Technology Services, branded as the Arizona Adult Education Data Management System (AAEDMS) in its Title II program, which is an Internet-based educational data system that meets all National Reporting System (NRS) requirements for data and participant tracking of attendance, assessments and outcomes. Local adult education providers input program and participant data according to policy and have full access to their own data and reports for program improvement purposes. State staff can access all data at both the statewide and provider level to assist in desk monitoring efforts and to inform professional development needs across the State.

In addition to adult education data collection, the Benchmark system: manages high school equivalency testing records from 1942 to the present; collaborates with high school equivalency testing vendors for real-time access to score reports; provides data matching of secondary diploma receipt to the educational database; issues diplomas and transcripts to high school equivalency testing candidates; and provides access to transcript verification for third-parties through a secured, web-based portal upon request by the high school equivalency testing candidate.

4. Expand the functionality and reporting capabilities of AJC and Libera for Titles I, III and IV to allow data-driven decisions based on data by region/LWDAs and improve cross-program reporting. Monthly AJC workgroup meetings, consisting of State administrators, LWDB representatives, and provider staff, review and prioritize enhancement requests from AJC users prior to submitting to America's Job Link Alliance (AJLA).

B. Data-collection and reporting processes used for all programs and activities, including those present in one-stop centers

Data-collection and reporting processes used for all programs and activities, including those present in one-stop centers.¹⁰

[10] For the PY 2016 state plan, descriptions of data collection and reporting processes need only include currently known indicators.

Title I-B and Title III utilize the AJC as the data system of record for case management and WIOA performance indicator collection, information management, and DOL reporting. (AJC is also the data system of record for the following WIOA required partners: JVSG, MSFW, and TAA.) America's Job Link Alliance, the AJC vendor, provides data in the Participant Individual Record Layout (PIRL) format to upload to DOL's Workforce Integrated Performance System (WIPS) for the Title I-B and Title III programs. To ensure data integrity, LWDB performance is reviewed on a quarterly schedule, utilizing the data that is uploaded to WIPS. DES works with LWDB service provider staff to review WIOA

performance data and assist in improving program operations and data collection accuracy. DES has an integrated, cross-functional help desk that serves Titles I, III, and IV, Unemployment Insurance Tax and Wage, Unemployment Insurance Benefits, SNAP E&T Program, and TANF/Jobs clients statewide.

Title II, Adult Education and Literacy, uses Benchmark Integrated Technology Services, branded as the AAEDMS is an Internet based educational data system used by Title II that meets all National Reporting System (NRS) requirements for data and participant tracking of attendance, assessments and outcomes. It includes the features below to support data collection and reporting processes:

- Realtime/online access to authorized users to scores, demographic information, and performance data (including student, classroom, program, goal and goal follow-up at state, local provider and individual classroom levels);
- The ability to produce standard and recurring federal, state and agency reports as directed by ADE;
- The ability to provide custom and ad hoc reports as directed by ADE;
- The ability to download raw data into XML or TXT files for ADE to create custom reports as needed;
- The ability to securely and privately collect social security numbers (SSN) and/or assign a unique personal ID for each student separate from the SSN;
- Adherence to all ADE data governance and privacy concerns;
- The ability to provide multiple levels of access, including view-only access for certain authorized staff personnel; and
- Edit checks and validation systems to ensure accurate data reporting.

Local adult education providers input program and participant data according to policy and have full access to their own data and reports for program improvement purposes. State staff can access all data at both the statewide and provider level to assist in desk monitoring efforts and to inform professional development needs across the State.

Title IV utilizes an accessible web-based data management system called "System 7" offered by Libera, Inc. System 7 offers case management, fiscal and contract management, and federal reporting modules. A role-based approach is utilized within System 7 to allow appropriate access to data across all modules and users. System 7 integrates with various assistive technology software programs allowing staff who are blind or low vision to use the program.

2. The State policies that will support the implementation of the State's strategies (e.g., co-enrollment policies and universal intake processes where appropriate). In addition, provide the State's guidelines for State-administered one-stop partner programs' contributions to a one-stop delivery system

All State policies support the alignment of service delivery and focus on creating and growing business. Policies will be reviewed and revised to include alignment and seamless strategies that are customer focused and demand driven.

Workforce Arizona Council Policies are available on the ARIZONA@WORK website policies/reports webpage. WIOA Title I-B programmatic policies are available on the DES WIOA Title I-B Policies and Procedures webpage.

Current administrative state policies include:

- **Local Governance:** Updated in 2019, this policy articulates the State's vision and purpose for the LWDBs, provides guidance on the appointment and certification of LWDBs, outlines the roles, responsibilities, and authority of the chief elected officials (CEOs) and the LWDBs in regards to the local workforce system, and describes the process for LWDA designation.
- **One-Stop Delivery System:** Updated February 2017, there are two policies that provide LWDBs and other ARIZONA@WORK partners with the vision and structure regarding the administration of the ARIZONA@WORK Job Center Service Delivery system.
- **One-Stop Operator and Service Provider Selection:** Updated in 2019, this policy provides LWDBs and other ARIZONA@WORK system partners with instruction and guidance regarding the roles and responsibilities of the One-Stop Operator, adult, dislocated worker, and youth career service providers and the selection processes required under WIOA.
- **ARIZONA@WORK Job Center MOU and Infrastructure Costs:** Updated August 2017, this policy outlines the purpose and criteria for the development of a MOU for the operation of the ARIZONA@WORK system including infrastructure costs. Infrastructure cost of ARIZONA@WORK comprehensive job centers are non-personnel costs that are necessary for the general operation of the ARIZONA@WORK Job Center, such as facility rental, maintenance, technology and equipment. This policy also addresses the steps the State will take if an agreement on the infrastructure cost sharing is not reached by any LWDA.

The State has issued additional guidance on developing the LWDA infrastructure funding agreement during April 2020. This additional guidance addresses the gaps observed during the execution of the IFA in 2017.

The key elements of this guidance includes a list of mandated partners at the One-Stop centers, details on what constitutes an infrastructure cost and identifying an acceptable cost allocation base for each category of costs and ensuring that each partner's share is proportionate to benefit derived by them.

- **One-Stop Certification:** This policy, created August 2017, establishes statewide objective criteria and procedures for use by LWDBs to certify ARIZONA@WORK Job Centers. The criteria is in adherence to WIOA requirements related to the effectiveness, physical and programmatic accessibility, and continuous improvement, as well as measuring the LWDA's progress in achieving the statewide vision for the ARIZONA@WORK Job Center delivery system outlined in the One-Stop Delivery System policy. LWDBs must certify to be eligible to use infrastructure funds in the State Funding Mechanism. This policy applies to ARIZONA@WORK Job Center comprehensive, affiliate and specialized sites and includes two tools to assist in the certification process.
- **WIOA Statewide Monitoring Policy:** This policy, effective November 2017, establishes the monitoring processes, which is designed to ensure compliance with WIOA law and regulation, Council policy, and policies of the DES and ADE related to the implementation of WIOA. Monitoring information is used to understand the current state and continuous improvement of the workforce system. This Policy will be reviewed to address needs within the system and assess the effectiveness of the monitoring process.
- **Conflict of Interest:** This Policy, created in February 2019, establishes the guidelines for conflict of interest, firewalls, and internal controls required under WIOA for LWDBs and entities serving in more than one role in the ARIZONA@WORK system.

- Co-enrollment:** Individuals who apply for unemployment compensation are automatically registered for Employment Services. Employment Services staff are encouraged to provide information about WIOA Title I-B services through the ARIZONA@WORK system to claimants for unemployment compensation. Claimants participating in the Reemployment Services and Eligibility Assessment (RESEA) activities are also informed of WIOA Title I-B services. The WIOA Title I-B Adult, and Dislocated Worker policies, (section 106), the WIOA Title I-B Youth program policy (section 207.02.B and C), and the WIOA Title I-B Training Services (section 503.03) encourages LWDBs to leverage funds by co-enrolling participants with core and required ARIZONA@WORK partner programs. Policies include that participants who are enrolled in more than one program are co-case managed to ensure services are not duplicative, and outcomes are shared between partners to ensure proper reporting.

DES also issued PB-18014R Trade Adjustment Assistance-WIOA Title I-B Co-enrollments in an effort to increase co-enrollment percentages between Trade Adjustment Assistance Program and WIOA Title I-B Dislocated Worker Programs. This policy broadcast put in place a referral and follow-up system that was successful increasing the co-enrollment percentages between these programs. DES plans on implementing a similar referral system between other WIOA programs.

The Council also intends to explore policies to give additional guidance for implementation of the vision of the ARIZONA@WORK system. As innovative ideas emerge through practice or research as well as guidance implementation of issues addressed in these policies, including topics such as infrastructure cost-sharing resolution, technical assistance and interpretation will be provided. The Council's committees will take the lead in exploring best practices within and outside of the system and will ensure the full Council stays connected with the implementation efforts of State and local entities.

In addition, ADE and DES will ensure implementation of policies for the core programs to ensure alignment with the State Plan strategies.

3. State Program and State Board Overview

A. State Agency Organization

Describe the organization and delivery systems at the State and local levels for the programs covered in the plan, including the organizational structure. Include an organizational chart.

ARIZONA@WORK's core programs are structured as follows: ADE: Title II – Adult Education and Literacy; and DES: Title I-B – Adult, Dislocated Worker, and Youth, Title III - Wagner-Peyser, and Title IV – Vocational Rehabilitation.

DES is also designated as the WIOA administrative and fiscal agency for Title I funds and oversees the 12 LWDBs that implement ARIZONA@WORK services throughout the State. Arizona's structure additionally includes the following partners:

- ACA and OEO: Arizona's Labor Market Information and economic development ADE: CTE, administering the Perkins V grant
- DES: UI Benefits, SNAP E&T, TANF Jobs, MSFW, TAA, JVSG, and SCSEP

The ARIZONA@WORK system is charged with enhancing the range and quality of workforce development services available to businesses and job seekers through a coordinated approach among education, businesses, public agencies, and community-based organizations. Services are provided through a variety of access points, both virtual and physical, with at least one comprehensive center in each LWDA.

ARIZONA@WORK's latest available organizational chart as of June 1st, 2020 can be found here.

B. State Board

Provide a description of the State Board, including—

The Council is the leading body in implementing and monitoring the State Unified Plan, providing statewide policy direction, building collaborative relationships, and coordinating resources. The Council oversees the efficiency, accessibility and continuous improvement of the ARIZONA@WORK system. The following chart lists the current membership that comprises the Council.

i. Membership Roster

Provide a membership roster for the State Board, including members' organizational affiliations.

| Last Name | First Name | Company / Association | Representing |
|------------|------------|----------------------------|----------------------|
| Ducey | Doug | State of Arizona | Governor |
| Anable | Susan | Cox | Business |
| Anderson | Gregory | Summit Healthcare Services | Business |
| Bohanan | Audrey | Adelante Healthcare | Business |
| Gaspers | Mark | Boeing Company | Business |
| Garrison | Randall | Fentek Industries | Business |
| Graver | Todd M. | Freeport | Business |
| Grove | Dawn | Karsten Manufacturing | Business |
| Horvath | Alex | Tucson Medical Center | Business |
| James | Will | Pinnacle West Corporation | Business |
| Jenkins | Tom | Advanced Business Learning | Business |
| Kitchell | Gretchen | SRP | Business |
| Longstreth | Tom | Ventana Medical Systems | Business |
| Lucero | Lawrence | Tucson Electric Power | Business |
| Macias | Stephen P. | Pivot Manufacturing | Business |
| Rice | Brian | Hensley Beverage | Business |
| Sieden | Danny | Intel | Business |
| Thorpe | Drew | APS | Business |
| Walters | John | Liberty Mutual | Business |
| Carter | Heather | | Arizona State Senate |

| Last Name | First Name | Company / Association | Representing |
|-----------|------------|---|---|
| Osborne | Joanne | | Arizona State House of Representatives |
| Miles | Jen | City of Kingman | Local Elected Official |
| Gates | Bill | Maricopa Board of Supervisors | Local Elected Official |
| Vacant | | | Union Organization |
| Anthony | Dennis | Arizona Apprenticeship Advisory Committee Chair | Registered Apprenticeship |
| Gilbreath | Allison | Arizona Chamber of Commerce | Training and education availability to individuals with barriers to meet employer needs |
| Martin | David | Arizona Chapter Associated General Contractors | Training and Employment programs addressing individuals with barriers including youth. |
| Winkel | Thomas | Arizona Coalition for Military Families | Community Based Organization serving Veterans |
| Schmitt | Jon | Arizona State University | Education Serving out-of-school youth |
| Wisehart | Michael | Arizona Department of Economic Security | Core Program Lead Agency Representative (Title I, III and IV) |
| Hart | Sheryl | Arizona Department of Education Adult Education | Core Program Lead Agency Representative (Title II) |
| Watson | Sandra | Arizona Commerce Authority | Economic Development Lead Agency |
| Fleetham | Jeff | Arizona Registrar of Contractors | Additional State Agency Lead |

ii. Board Activities

Provide a description of the activities that will assist State Board members and staff in carrying out State Board functions effectively.

The Council activities are carried out in four main categories: technology, policy, service delivery, and administration. These categories help ensure the State Board functions are effectively carried out by the Board members and staff by providing areas of focus for the Council's committees. The activities mentioned below are ones the Council plans on doing in the next four years in addition to the current Council Endorsed projects (i.e. Arizona Career Readiness Credential (ACRC), Arizona Advanced Technology Corridor, AMS, Maryvale Workforce Initiative, and Be Connected Roadmap to Veteran Employment).

Technology

The Council will conduct a gap analysis on ARIZONA@WORK's use of technology and data systems (i.e. State Workforce Evaluation System) and whether it supports the core programs service delivery and reporting on performance accountability measures. The results of this analysis will help the Council determine what requirements are missing to support the workforce system and implement technology changes to meet the need.

Policy

The Council will review and update current policies and develop new policies to promote statewide objectives and enhance the performance of the ARIZONA@WORK system. The Council will also provide policy guidance to State staff to support compliance across the workforce system.

Service Delivery

The Council will help improve service delivery by engaging in regional planning to cover Sector Strategies, Career Pathways, staff training and ensuring a consistent and efficient One-Stop delivery system to effectively serve employers and job seekers.

Administration

The Council will ensure the development and implementation of the State Plan, annual reports, labor market information system, formula funding allocations, and analysis of return on investment for activities/projects within the ARIZONA@WORK system.

4. Assessment and Evaluation of Programs and One-Stop Program Partners

A. Assessment of Core Programs

Describe how the core programs will be assessed each year based on State performance accountability measures described in section 116(b) of WIOA. This State assessment must include the quality, effectiveness, and improvement of programs broken down by local area or provider. Such state assessments should take into account local and regional planning goals.

Arizona will regularly assess the federal and state performance measures as follows:

The Council will assess the ARIZONA@WORK system for accountability through the federal and identified state performance measures. In 2019, the federal measures were displayed (by quarter and annually) publicly on the ARIZONA@WORK website statewide and by LWDA, in addition to including available labor market information by LWDA. A committee of the Council is specifically chartered to identify and measure metrics to support data-driven decisions and ensure continuous improvement of the ARIZONA@WORK system. This committee will continue work to identify lead measures impacting the federal measures, along with measures for the implementation of strategies identified in this plan to align metrics throughout the ARIZONA@WORK system.

ADE and DES use their respective data systems to regularly assess performance measures.

- ADE's core program uses the NRS which is the accountability system for the federally funded, State-administered adult education programs. The required data for adult education reporting within the NRS includes the percentage of program participants who: achieve Measurable Skill Gains (MSG); are in unsubsidized employment during the second quarter and/or the fourth quarter after exit; receive a secondary diploma during participation or within one year after exit and enter postsecondary education, training or employment within one year after exit; receive a recognized postsecondary credential during participation or within one year after exit.

Adult education providers are evaluated programmatically and fiscally for compliance with federal and state requirements. Desk monitoring of all funded providers is conducted throughout the program year and includes an analysis of local performance data, professional learning plan, technology integration

status, and annual programmatic and fiscal reporting. Technical assistance is provided as necessary. In addition, each provider's status regarding collaboration with ARIZONA@WORK partners and alignment with the LWDB Plan is reviewed. A risk assessment tool is used to select providers annually for a comprehensive compliance review using an intensive process that includes onsite monitoring, observation of program operations, interviewing of staff and physical auditing of records.

- DES uses its data systems of record to review federal performance data on a quarterly and annual basis. In addition, DES uses monthly scorecards at the Division and Administration level with lead measures of the processes impacting the federal performance measures. The scorecards indicate the status of the measures using a red, yellow, and green notation based on targets set to focus on continuous improvement. When a measure does not meet its target, a team works together to identify the root cause(s) of the problem and implements countermeasures to move the metric back to meeting the target. The scorecards are discussed monthly at Administration and Division leadership meetings. Implementation of the AMS has also supported more frequent reviews of lead measures at regional and local levels through focused team meetings and will continue through expansion of the AMS during the next State planning cycle.

DES meets monthly with program and support units to assess monitoring and performance results to identify trends and needed technical assistance for the LWDBs and their service providers.

B. Assessment of One-Stop Partner Programs

Describe how other one-stop delivery system partner program services and Combined State Plan partner programs included in the plan will be assessed each year. Such state assessments should take into account local and regional planning goals.

LWDAs, through their LWDBs and CEOs, will assess and evaluate the local ARIZONA@WORK system at Board and committee meetings overseeing implementation of the local plans, and monitoring federal and locally set performance measures. Each LWDB has representation from Title II, III, and IV to incorporate individual program process assessment with that of the ARIZONA@WORK system as a whole.

LWDBs will assess ARIZONA@WORK Job Centers using the job center certification tool every two years and implement a continuous improvement plan to include the LWDB's assessment of how well the ARIZONA@WORK Job Centers support the achievement of the negotiated levels of performance. LWDBs are charged with regular oversight of continuous improvement through tracking and improving measures.

Other local partners of the ARIZONA@WORK system, such as JVSG, SNAP E&T, MSFW, TANF Jobs, TAA, and UI, that are administered through DES, are part of the implementation of AMS, and have measures being assessed regularly using scorecards and regularly meeting within their administrations.

Title II local adult education providers are assessed by ADE through a comprehensive monitoring process that includes monthly desk monitoring of student-level data entered into the data management system, data analysis, narrative reports and onsite monitoring visits. Title II providers are required to provide access to Title II services via the one-stop system and are also assessed on the number of students co-enrolled in partner programs. Data showing Title II enrollment, attendance and MSG outcomes is shared with the LWDAs quarterly.

Title IV will use a series of standard monthly reports, ad hoc reports, and quarterly dashboard information from the Department of Education to analyze data, assess progress, and implement corrective measures as necessary.

C. Previous Assessment Results

Beginning with the state plan modification in 2018 and for subsequent state plans and state plan modifications, provide the results of assessments of the effectiveness of the core programs and other one-stop partner programs and Combined State Plan partner programs included in the Unified or Combined State plan during the preceding 2-year period (i.e. the 2-year period of the plan modification cycle). Describe how the State is adapting its strategies based on these assessments.

During the last two years of the Unified State Plan, assessment of PY17 and PY18 federal and state performance measures were tracked, as well as, lead measures through scorecards and problem solving discussed in Section (4)(A) above.

Title I – Adult, Dislocated, and Youth

Table 32: PY 2017 (July 1, 2017 to June 30, 2018)

| Reported Information | Funding Category | Negotiated Performance Level | Adjusted Performance Level | Actual Performance Level | % Met of Adjusted Performance Level |
|--|-------------------------|-------------------------------------|-----------------------------------|---------------------------------|--|
| Employment 2 nd Quarter after exit | Adult | 78.0% | 79.0% | 71.9% | 91.0% |
| Employment 4th Quarter after exit | Adult | 71.6% | 73.7% | 66.7% | 90.5% |
| Median earnings in the 2 nd quarter after exit Earnings | Adult | \$5,500 | \$6,543 | \$5,966 | 91.2% |
| Credential attainment rate | Adult | 53.4% | 56.9% | 79.3% | 139.4% |
| Measurable Skills Gain | Adult | Baseline | Baseline | Baseline | Baseline |
| Employment 2 nd Quarter after exit | Dislocated Worker | 81.6% | 81.1% | 77.3% | 95.3% |
| Employment 4th Quarter after exit | Dislocated Worker | 73.6% | 71.0% | 72.5% | 102.1% |
| Median earnings in the 2 nd quarter after exit Earnings | Dislocated Worker | \$6,999 | \$8,030 | \$8,819 | 109.8% |

| | | | | | |
|--|-------------------|----------|----------|----------|----------|
| Credential attainment rate | Dislocated Worker | 54.8% | 53.2% | 75.2% | 141.4% |
| Measurable Skills Gain | Dislocated Worker | Baseline | Baseline | Baseline | Baseline |
| Employment 2 nd Quarter after exit | Youth | 70.8% | 76.4% | 63.6% | 83.2% |
| Employment 4th Quarter after exit | Youth | 68.0% | 70.2% | 60.1% | 85.6% |
| Median earnings in the 2 nd quarter after exit Earnings | Youth | Baseline | Baseline | Baseline | Baseline |
| Credential attainment rate | Youth | 65.0% | 63.9% | 44.5% | 69.6% |
| Measurable Skills Gain | Youth | Baseline | Baseline | Baseline | Baseline |

Table 33: PY 2018 (July 1, 2018 to June 30, 2019)

| Reported Information | Funding Category | Negotiated Performance Level | Adjusted Performance Level | Actual Performance Level | % Met of Adjusted Performance Level |
|--|-------------------------|-------------------------------------|-----------------------------------|---------------------------------|--|
| Employment 2 nd Quarter after exit | Adult | 74.1% | 75.1% | 71.9% | 95.7% |
| Employment 4th Quarter after exit | Adult | 65.0% | 67.1% | 67.8% | 101.0% |
| Median earnings in the 2 nd quarter after exit Earnings | Adult | \$5,700 | \$6,743 | \$6,485 | 96.2% |

| | | | | | |
|--|-------------------|----------|----------|----------|----------|
| Credential attainment rate | Adult | 65.0% | 68.5% | 74.3% | 108.5% |
| Measurable Skills Gain | Adult | Baseline | Baseline | Baseline | Baseline |
| Employment 2 nd Quarter after exit | Dislocated Worker | 76.5% | 76.0% | 78.4% | 103.2% |
| Employment 4th Quarter after exit | Dislocated Worker | 70.0% | 67.4% | 72.7% | 107.9% |
| Median earnings in the 2 nd quarter after exit Earnings | Dislocated Worker | \$7,300 | \$8,331 | \$8,646 | 103.8% |
| Credential attainment rate | Dislocated Worker | 54.8% | 53.2% | 72.3% | 135.9% |
| Measurable Skills Gain | Dislocated Worker | Baseline | Baseline | Baseline | Baseline |
| Employment 2 nd Quarter after exit | Youth | 67.5% | 73.1% | 71.7% | 98.1% |
| Employment 4th Quarter after exit | Youth | 64.0% | 66.2% | 66.5% | 100.5% |
| Median earnings in the 2 nd quarter after exit Earnings | Youth | Baseline | Baseline | Baseline | Baseline |
| Credential attainment rate | Youth | 50.0% | 48.9% | 51.6% | 105.5% |
| Measurable Skills Gain | Youth | Baseline | Baseline | Baseline | Baseline |

Title II – Adult Education and Literacy

Table 34: PY 2017 (July 1, 2017 to June 30, 2018)

| Reported Information | Negotiated Performance Level | Actual Performance Level | % Met of Actual Performance Level |
|--|-------------------------------------|---------------------------------|--|
| Employment 2 nd Quarter after exit | Baseline | Baseline | NA |
| Employment 4th Quarter after exit | Baseline | Baseline | NA |
| Median earnings in the 2 nd quarter after exit Earnings | Baseline | Baseline | NA |
| Credential attainment rate | Baseline | Baseline | NA |
| Measurable Skills Gain | 56% | 53.71% | 95.9% |

Table 35: PY 2018 (July 1, 2018 to June 30, 2019)

| Reported Information | Negotiated Performance Level | Actual Performance Level | % Met of Actual Performance Level |
|--|-------------------------------------|---------------------------------|--|
| Employment 2 nd Quarter after exit | Baseline | Baseline | NA |
| Employment 4th Quarter after exit | Baseline | Baseline | NA |
| Median earnings in the 2 nd quarter after exit Earnings | Baseline | Baseline | NA |
| Credential attainment rate | Baseline | Baseline | NA |

| | | | |
|------------------------|-----|-----|-------|
| Measurable Skills Gain | 58% | 49% | 84.5% |
|------------------------|-----|-----|-------|

Title III – Employment Service

Table 36: WIOA Title III PY 2017 (July 1, 2017 to June 30, 2018)

| Reported Information | Negotiated Performance Level | Adjusted Performance Level | Actual Performance Level | % Met of Adjusted Performance Level |
|--|------------------------------|----------------------------|--------------------------|-------------------------------------|
| Employment 2 nd Quarter after exit | 59.0% | 60.3% | 66.4% | 110.1% |
| Employment 4th Quarter after exit | 61.3% | 63.3% | 62.6% | 98.9% |
| Median earnings in the 2 nd quarter after exit Earnings | \$4,388 | \$5,189 | \$5,119 | 98.70% |

Table 37: WIOA Title III PY 2018 (July 1, 2018 to June 30, 2019)

| Reported Information | Negotiated Performance Level | Adjusted Performance Level | Actual Performance Level | % Met of Adjusted Performance Level |
|--|------------------------------|----------------------------|--------------------------|-------------------------------------|
| Employment 2 nd Quarter after exit | 63.0% | 64.3% | 68.2% | 106.1% |
| Employment 4th Quarter after exit | 59.0% | 61.0% | 63.0% | 103.3% |
| Median earnings in the 2 nd quarter after exit Earnings | \$4,600 | \$5,401 | \$5,442 | 100.8% |

Title IV – Vocational Rehabilitation Services

Table 38: Title IV Vocational Rehabilitation PY 2017 (July 1, 2017 to June 30, 2018)

| Reported Information | Negotiated Performance Level | Adjusted Performance Level | Actual Performance Level | % Met of Adjusted Performance Level |
|---------------------------|------------------------------|----------------------------|--------------------------|-------------------------------------|
| Employment in 2nd Quarter | Baseline | NA | NA | NA |
| Employment in 4th Quarter | Baseline | NA | NA | NA |
| Median Earnings | Baseline | NA | NA | NA |
| Credential Attainment | Baseline | NA | NA | NA |
| Measurable Skills Gains | Baseline | NA | NA | NA |

Table 39: Title IV Vocational Rehabilitation PY 2018 (July 1, 2018 to June 30, 2019)

| Reported Information | Negotiated Performance Level | Adjusted Performance Level | Actual Performance Level | % Met of Adjusted Performance Level |
|---------------------------|------------------------------|----------------------------|--------------------------|-------------------------------------|
| Employment in 2nd Quarter | Baseline | NA | NA | NA |
| Employment in 4th Quarter | Baseline | NA | NA | NA |
| Median Earnings | Baseline | NA | NA | NA |
| Credential Attainment | Baseline | NA | NA | NA |
| Measurable Skills Gains | Baseline | NA | NA | NA |

Through this tracking and discussion at regular meetings, areas of needed technical assistance were identified, and technical assistance was provided in the following areas:

- WIOA Performance Accountability Measures;
- Measurable Skill Gains Performance Measure;
- Required Services for the WIOA Title I-B Adult, Dislocated Workers, and Youth Programs;
- Rapid Response;
- How to Use Labor Market Information;

allowable administrative costs; the remaining ten percent can be set aside for other allowable statewide reserves.

For the Dislocated Worker Program, 75 percent is directly allocated to the LWDA's, and 10 percent is held for the Rapid Response Program. Of the ten percent held for Rapid Response, nine percent is sent to the LWDA's, and the other one percent is reserved by the State.

Arizona employs a discretionary formula to allocate each program's funds to the LWDA's. Each year, the State Council reviews six options for the Dislocated Worker Program and Rapid Response. The Dislocated Worker Program allocation is subject to the hold harmless provision, which states that a LWDA cannot receive less than 90 percent of its relative share based on the average relative share of the total LWDA's allocation from the previous two funding years.

Arizona takes an average of the last two years' funding to level out sizable fluctuations that can happen in funding from year to year. For the Dislocated Worker program and Rapid Response funds, the entire, respective allocations are based on Unemployment Concentration, Long Term Unemployed, Declining Industries, and Employment data factors, with each option varying the weighted percentage. The options for the Dislocated Worker Program and Rapid Response are weighted identically.

- Option 1: 80 percent is weighted on Unemployment Concentration, one percent is weighted on Long Term Unemployed, ten percent is weighted on Declining Industries, and 5 percent is weighted on Employment.
- Option 2: 50 percent is weighted on Unemployment Concentration, one percent is weighted on Long Term Unemployed, 48 percent is weighted on Declining Industries, and 1 percent is weighted on Employment.
- Option 3: Five percent is weighted on Unemployment Concentration, five percent is weighted on Long Term Unemployed, 80 percent is weighted on Declining Industries, and 10 percent is weighted on Employment.
- Option 4: One percent is weighted on Unemployment Concentration, one percent is weighted on Long Term Unemployed, 95 percent is weighted on Declining Industries, and 3 percent is weighted on Employment.
- Option 5: Ten percent is weighted on Unemployment Concentration, ten percent is weighted on Long Term Unemployed, 60 percent is weighted on Declining Industries, and 20 percent is weighted on Employment.
- Option 6: Ten percent is weighted on Unemployment Concentration, 10 percent is weighted on Long Term Unemployed, 20 percent is weighted on Declining Industries, and 60 percent is weighted on Employment.

Once these options are developed, DES submits recommendations to the Council based on the principles of least harm and widest benefit. The LWDBs also review the options for each program and submit a consensus recommendation to the Council for consideration. The Council approves the final selection of funding options; whichever option is chosen for Dislocated Worker must also be chosen for Rapid Response.

B. For Title II

i. Describe how the eligible agency will award multi-year grants or contracts on a competitive basis to eligible providers in the State, including how eligible agencies will establish that eligible providers are organizations of demonstrated effectiveness

To allocate grant funds available under section 222(a)(1) for PY 2017/2018 to local providers, ADE conducts a competitive Request for Grant Application (RFGA) process to award multi-year grant contracts to eligible providers.

The purpose of the multiyear grant contracts awarded through the RFGA process is to enable local adult education providers, as core partners of the ARIZONA@WORK system, to develop, implement and improve adult education and literacy services throughout the state to further the vision and goals as outlined in this State Plan and described in the Title II Adult Education Program-Specific section.

Eligible providers, in adherence to WIOA, are organizations with demonstrated effectiveness in providing adult education and literacy activities and may include:

- A local education agency;
- A community-based organization or faith-based organization;
- A volunteer literacy organization;
- An institution of higher learning;
- A public or private non-profit agency;
- A library;
- A public housing authority;
- A non-profit institution that is not described above and which has the ability to provide adult education and literacy activities to eligible individuals as described in WIOA;
- A consortium or coalition of the agencies, organizations, institutions, libraries, or authorities described above; and
- A partnership between an employer and an entity described above.

The distribution of funds across the state is based on demographic data and needs analyses pertaining to the target population of adult learners. As required under WIOA, adult education services are funded and delivered in all LWDAs. The thirteen factors described in WIOA, Title II, Sec. 231 (e) are used to determine funding decisions:

A competition was conducted in 2018 to award funding for the provision of Title II services July 1, 2018 through June 30, 2020. 23 local adult education providers were awarded funds and adult education was provided in all LWDAs. The next competition is scheduled for 2020 to award funding for the provision of Title II services July 1, 2020 through June 30, 2022. The proposed timeline is:

- January 2020- release of application;
- March 2020- application due;
- March – May 2020- review process conducted with local workforce board and applications evaluated;
- June 2020- evaluation results and determination of awards (with State Board of Education approval); and
- July 1, 2020- begin implementation of programs and services according to grant contract.

ii. Describe how the eligible agency will ensure direct and equitable access to all eligible providers to apply and compete for funds and how the eligible agency will ensure that it is using the same grant or contract announcement and application procedure for all eligible providers

solutions identified and/or implemented by LWDBs will provide insight into successful data integration strategies that can be implemented across ARIZONA@WORK partner programs.

Currently, ADE uses the AAEDMS through Benchmark to enter student demographic for Title II, and DES uses the AJC system, developed by AJLA to manage all aspects of case management, data recording, and performance reporting for Titles I and III, and the Libera system, called System 7. Case, as the case management, vendor, procurement, and financial management system for Title IV. Through implementing Strategy 10. over the next four years, Arizona aims to improve, across the core and other partner programs, its ability to exchange common data elements and expand data reporting and analysis to enable data-driven decisions that support continuous improvement through regular assessment and evaluation.

The State will be developing a statewide Workforce Evaluation Data System (“the Data System” also known as P-20W or IDS) which will be an integrated data system that will combine individual-level education and workforce data (K12, postsecondary institutions, UI, WIOA programs, SNAP and TANF) to support evidence-building activities with a statistical purpose led by the Workforce Data Task Force.

The Workforce Data Task Force includes the OEO Director, DES Director, Arizona Board of Regents President, Superintendent of Public Instruction, and one representative of a community college district. This Task Force will: 1) oversee workforce system evaluation data sharing, 2) the development and maintenance of the Data System, and 3) provide analyses and recommendations for “workforce system performance” reports

The State Workforce Evaluation Data System will be developed in phases — each phase adding more programs and features.

- Phase 1 (Q2 2020) - Build foundational system components for data integration.
- Phase 2 (Q4 2020) - Incorporate data on participants in WIOA programs, SNAP and TANF.

ii. Describe the State’s plans to integrate data systems to facilitate streamlined intake and service delivery to track participation across all programs included in this plan

Arizona will engage a cross-functional state and local team to identify and implement solutions for data challenges to improve integrated data management and streamline services to co-enrolled individuals, track individuals through workforce, education, and community programs, and provide critical data to continuously improve services to customers. See Strategy 10. Arizona currently is able to track participation in Title I, III, JVSG, UI, TAA, and MSFW through one data system, and will seek solutions to track additional program customers. ADE has also developed a process through the MOU/IFA process to track Title II students referred for adult education and literacy services, which is being rolled out throughout the State.

Arizona will work with state and local partners to improve processes for individuals using the ARIZONA@WORK system through national research, identifying grant options, and capitalizing on the successful strategies from LWDBs to streamline intake and service delivery and allow cross-program tracking. Local plans and MOUs developed by LWDBs with ARIZONA@WORK partners will facilitate collaboration across the local system and provide the structure for a seamless delivery of service provision for ARIZONA@WORK customers.

iii. Explain how the State board will assist the governor in aligning technology and data systems across required one-stop partner programs (including design and implementation of common intake, data collection, etc.) and how such alignment will improve service delivery to individuals, including unemployed individuals

The Council will participate in the development of project plans and collaboration through their Committees or participation in workgroups, as appropriate, for strategies 7 and 10 addressing technology and data system alignment. Strategies 7 and 10 focus on streamlining services to individuals through a co-enrollment process through a common intake system as well as identifying data system solutions to prevent duplication of services and improve the management of individuals enrolled in more than one program.

iv. Describe the State's plans to develop and produce the reports required under section 116, performance accountability system. (WIOA section 116(d)(2))

Arizona's core programs ensure the performance accountability systems meet WIOA requirements while continuously seeking opportunities for improved processes to better improve performance outcomes for the customers served.

Titles I and III:

Use AJC, hosted by AJLA, to support a consortium of state workforce agencies. AJLA Technical Support creates a PIRL file used for the Quarterly (ETA-9173) and Annual (ETA-9169) Reports. The file is compiled and reported through the WIPS to the U.S. DOL Employment and Training Administration (USDOL/ETA). Using the WIPS ensures both the accuracy and uniformity of the reported data in compliance with U.S. Department of Labor Employment and Training Administration (USDOL/ETA) reporting requirements. To ensure data completeness and integrity, the DES Workforce IT Section/Workforce Development Unit works with the LWDB and its service providers to correct data that is missing or causing an error when the WIPS process identified data errors during the submission of the PIRL file.

DES evaluates its performance through:

- Quarterly review of federal performance and fiscal data through its dashboard;
- Monthly review of lead measures on scorecards, implementing problem solving when measures do not meet targets; and
- Monthly quality assurance meetings where data from fiscal, programmatic, and Equal Opportunity (EO) monitoring is reviewed to identify trends for targeted technical assistance.

Title II:

Uses AAEDMS through Benchmark to enter student demographic, performance and class data as required for Federal reporting. AAEDMS is a secure, web-based data management system that collects required data, including performance results as identified in the NRS.

ADE's adult education providers are evaluated on both fiscal and programmatic areas to evaluate and improve the performance accountability system. The model incorporates the following factors:

- A cyclical system for risk assessment and monitoring;
- Monthly desk-monitoring, including data analysis and technical assistance; and
- Evidence of high-quality, data-driven and research-based instruction that is aligned to content standards and professional learning standards, and that incorporates the standards for both digital literacy and employability skills.

Title IV:

Uses Libera, System 7 Case Management System to input and store program, fiscal, and contract data. System users enter client specific data each quarter and a system module creates the quarterly RSA-911 report. Replicated dictionary tables allow use of Access databases to write specialized queries. Specialized queries are used to provide the required data for federal reports, as well as the

In 2019, Arizona completed the new SWIS agreement with DOL, identifying ADE (Title II) and VR (Title IV) as Performance Accountability and Customer Information Agencies (PACIAs), along with the current PACIA for Titles I and III, ensuring all four of the core programs can access interstate wage information for WIOA performance reporting.

D. Privacy Safeguards

Describe the privacy safeguards incorporated in the State's workforce development system, including safeguards required by section 444 of the General Education Provisions Act (20 U.S.C. 1232g) and other applicable Federal laws.

Arizona has privacy safeguards in place to protect confidential information contained in its workforce development systems, which includes safeguards required by section 444 of the General Education Provisions Act and other applicable state and federal laws. These safeguards include State and local requirements, such as:

- Annual security training for individuals accessing confidential WIOA information;
- Personal confidentiality statements/user affirmation agreements to be signed by individuals accessing WIOA information;
- Maintaining medical documentation needed for eligibility determinations in a sealed confidential envelope separate from the files of eligible applicants, registrants, and participants; and
- Local confidentiality policies and procedures.

Privacy safeguards are monitored as part of the State's monitoring system, as set out for the specific core or partner program. Arizona seeks to maintain the privacy and confidentiality of all information for customers of WIOA, with a heightened focus on protecting social security information, according to federal laws and regulations (and state laws), including the following:

- 29 U.S. Code § 2935 (reports, recordkeeping, and investigations);
- 29 U.S. Code § 2871(f)(3) (confidentiality);
- 20 CFR § Part 603 (Unemployment Compensation);
- 42 U.S. Code § 503 (UI operations);
- 20 CFR § 617.57(b) (Trade Act);
- 29 U.S. Code § 491 –2(a)(2) (Wagner–Peyser Act);
- The Privacy Act (5 U.S. Code § 552);
- The Family Educational Rights and Privacy Act (20 U.S. Code § 1232g) (Title II and other programs in receipt of educational records);
- 34 CFR § 361.38 (VR); and
- 2 CFR § 200.303 (internal controls for Federal awards).

7. Priority of Service for Veterans

Describe how the State will implement and monitor the priority of service provisions for veterans in accordance with the requirements of the Jobs for Veterans Act, codified at section 4215 of 38 U.S.C., which applies to all employment and training programs funded in whole or in part by the Department of Labor. States should also describe the referral process for veterans determined to have a significant barrier to employment to receive services from the Jobs for Veterans State Grants (JVSG) program's Disabled Veterans' Outreach Program (DVOP) specialist.

In accordance with WIOA of 2014 (P.113-128) 20 CFR § 1010, veterans and their eligible spouses receive Veterans' Priority of Service (VPOS) and are referred to as "covered persons." A veteran is to include a person who was former military, naval, or air service personnel and was discharged, or otherwise released, by virtue of conditions barring dishonorable. An active service member includes full-time duty within the National Guard or Reserve, outside of full-time duty for training programs. The stipulations for an eligible spouse to receive VPOS is one of the following: spouse of a surviving veteran, spouse of any veteran who has died of a service-connected disability, spouse of any member of the armed forces serving on active duty is listed, at the time application, for a total of more than 90 days as (missing in Action, captured in the line of duty, or forcibly detained), spouse of a veteran who bears a total disability, or spouse of a veteran who died while a total disability was present as evaluated by the Department of Veterans Affairs. The State will ensure that covered persons are made aware of status and priority of service is executed in WIOA Titles I and III. In order to secure that potential VPOS candidates are made aware of upon point of entry, office staff members have particular measures in place. One measure is the requirement of an ESA-1184B, *Veterans' Priority of Service* to be visible upon entry. Another measure is for office staff members to provide VPOS brochures (ESA-1184A). Lastly, person's would be identified by means of direct inquiry. Afterwards, the potential VPOS candidate would fill out the VPOS Assessment Form (ESA1193A) and place it in the collection point (labeled basket). In order to deliver VPOS services through the internet, all VPOS will be directed to the Arizona Job Connection (AJC) website. However, VPOS candidate will be informed of Arizona's Be Connected Program as an element of support.

ARIZONA@WORK staff provide qualified veterans or eligible spouses with VPOS, which is priority over a non-veteran or non-eligible spouse for any labor exchange services, basic career, individualized career or training services with additional factors such as suitability in training services prioritization. Policies for VPOS implementation at ARIZONA@WORK job centers are included in this State and LWDB local plans.

Front desk staff at ARIZONA@WORK job centers follow VPOS at point of entry and identify Veteran status; staff will also conduct an assessment of significant barriers to employment (SBE) (ESA-1348A) with all veterans and other eligibles per current VPLs 03-14, 03-14 Ch. 1, 03-14 Ch.2, and 03-19. Veterans identified with SBEs will be referred to specialized veteran staff, such as a DVOP, to receive Individualized Career Services (Case Management) through JVSG.

Strategies will be implemented for VPOS in ARIZONA@WORK business service teams. ARIZONA@WORK Business Service Representatives (BSR) will apply VPOS in prioritizing and connecting Veteran job seekers to employers filling positions. The BSR teams also provide opportunities to employers to better support their Veteran workforce through the Arizona Supportive Veteran Employers Program (AVSE) and the Veterans Medallion Program (VETS).

Additionally, Title III staff are ensuring Veterans are receiving the highest quality of service. Arizona has implemented Arizona Job Connection (AJC) across all Title III staffed ARIZONA@WORK job centers as the primary database for staff providing services to Veterans. Additionally, Be Connected is utilized as a resource navigation tool and has been recognized as a national best practice as an upstream prevention model for veterans and military families.

Staff at ARIZONA@WORK Job Centers are trained on VPOS. In addition, the JVSG program Veterans Regional Coordinators (VRC) and review VPOS across ARIZONA@WORK and provide technical assistance if needed.

8. Addressing the Accessibility of the One-Stop Delivery System for Individuals with Disabilities

Describe how the one-stop delivery system (including one-stop center operators and the one-stop delivery system partners), will comply with section 188 of WIOA (if applicable) and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) with regard to the

physical and programmatic accessibility of facilities, programs, services, technology, and materials for individuals with disabilities. This also must include a description of compliance through providing staff training and support for addressing the needs of individuals with disabilities. Describe the State's one-stop center certification policy, particularly the accessibility criteria.

The following publicly posted State policies describe the requirements for ensuring compliance with section 188 of WIOA and provisions of Americans with Disabilities Act (ADA), including required physical and programmatic access to individuals with disabilities, the annual assessment of physical and programmatic accessibility at all ARIZONA@WORK Job Centers in the LWDA, and the ARIZONA@WORK job center certification requirements:

- State Workforce Policy #1 (Local Governance);
- State Workforce Policy # 6 (Certification of ARIZONA@WORK Job Center);
- State Workforce Policy #3 (ARIZONA@WORK Structure of One Stop Delivery System); and
- Arizona Department of Economic Security Policy, Chapter 2, Section 700: Equal Opportunity and Nondiscrimination.

LWDBs assess ARIZONA@WORK Comprehensive, Affiliates, and Specialized Centers every three years for programmatic and physical accessibility. The assessment includes (i) physical accessibility measures to ensure facilities are designed, constructed, or altered so they are accessible and usable to individuals with disabilities, (ii) programmatic accessibility measures to ensure access to programs, services, and activities during regular business days, and (iii) measures to ensure equal opportunity for individuals with disabilities defined in section 188 of WIOA.

The State EO Officer ensures annual, onsite monitoring visits for compliance at all ARIZONA@WORK Job Centers (comprehensive, affiliate, and specialized). Finding letters with required correction are sent to the LWDB representative to correct any compliance findings. The LWDBs are responsible to ensure compliance with physical and programmatic accessibility in the ARIZONA@WORK Job Centers through implementation and oversight of State and local policies.

Each LWDA identifies a local/tribal EO officer to ensure EO and nondiscrimination in the administration and operation of programs, activities, and services within the ARIZONA@WORK system. The State EO Officer provides training to the local/tribal EO Officers, as well as, the ES staff to provide services to persons with disabilities. In addition, local/tribal EO officers provide training and supports to ARIZONA@WORK staff, including service providers and local partners for addressing the needs.

See "Nondiscrimination Plan"

<https://des.az.gov/sites/default/files/media/Non-Discrimination-Plan-2019-2020.pdf>

9. Addressing the Accessibility of the One-Stop Delivery System for Individuals who are English Language Learners

Describe how the one-stop delivery system (including one-stop center operators and the one-stop delivery system partners) will ensure that each one-stop center is able to meet the needs of English language learners, such as through established procedures, staff training, resources, and other materials.

ADE, DES, and the LWDBs have policies and procedures describing how to ensure individuals with limited English proficiency can use ARIZONA@WORK services. As required by the Code of Federal Regulations (CFRs) and the State of Arizona Nondiscrimination Plan (NDP), the procedures include the development and implementation of processes to utilize a language line, interpreters, or translators to be made available upon request or when needed in order that individuals with Limited

English Proficiency (LEP) have the same communication of information as English speaking individuals. LWDB policy and procedures are reviewed during the annual monitoring reviews by the State-Level EO Officer for approval. ADE and DES policy and procedures are in compliance with 29 CFR § 38.9.

Support is required for languages spoken by a significant number or portion of the population seeking services through ARIZONA@WORK. LWDB service providers must translate vital information in written materials into these languages and make the translations readily available in hard copy, upon request, or electronically such as on a website. The vital information these materials contain can be provided to LEP participants by oral interpretation or summarization. For other languages not spoken as frequently in the area, information will be supplied as the need arises or upon request. ARIZONA@WORK staff training is required by the NDP to be done at a minimum annually by either the local EO Officer or the State-Level EO Officer. Generally, the State-Level EO Officer does training via an annual Technical Assistance Conference for purposes of making sure all EO Officers are up to date with the latest changes or new procedures available to them.

It is the responsibility of the LDWA EO Officer to make sure ARIZONA@WORK staff is aware of the requirements to assist a client to file a discrimination complaint and ensure it is done properly. LWDAs engage in additional activities to ensure that the needs of LEP participants are met, such as providing workshops in Spanish, referring customers to English as a Second Language (ESL) classes through Title II or in the community, or instruction in Vocational English as a Second Language.

ADE's Title II local adult education providers offer English language instruction in all LWDAs designed to help eligible learners achieve proficiency in reading, writing, speaking and listening and that leads to attainment of a secondary diploma (or its equivalent), transition to postsecondary/training, or employment. In addition, Title II utilizes funding under WIOA section 243 to provide adult education and literacy activities to English language learners concurrently and contextually with workforce preparation activities and workforce training for specific occupations or occupational clusters for the purpose of educational and career advancement.

IV. Coordination with State Plan Programs

Describe the methods used for joint planning and coordination among the core programs, and with the required one-stop partner programs and other programs and activities included in the Unified or Combined State Plan.

A State Plan committee organized the following activities to engage the core programs and ARIZONA@WORK partners to develop the Arizona State Plan with broad, statewide input:

- 4 in-person, working group meetings with representatives from the Council, LWDBs, State Title staff, and OEO to identify: In-Demand industries, In-Demand occupations, strengths and weaknesses, workforce capacity, and strategies;
- 2 statewide surveys to gather input for the (i) strengths and weaknesses; and (ii) strategies;
- Updates at statewide ARIZONA@WORK meetings for LWDB staff, service providers, and core program representatives; and
- Weekly writing sessions for Plan contributors.

Presentations, discussions and approval for the State Plan requirements occurred during the State Plan development process with the Council and committee meetings, and the State Plan Taskforce.

V. Common Assurances (For All Core Programs)

VI. Program-Specific Requirements for Core Programs

The State must address all program-specific requirements in this section for the WIOA core programs regardless of whether the State submits either a Unified or Combined State Plan.

Program-specific Requirements for Adult, Dislocated Worker, and Youth Activities under Title I-B

The Unified or Combined State Plan must include the following with respect to activities carried out under subtitle B—

a. General Requirements

1. Regions and Local Workforce Development Areas

A. Identify the regions and the local workforce development areas designated in the State

Arizona's Governor designated twelve LWDAs, which also serve as its regions:

- ARIZONA@WORK – Coconino County
- ARIZONA@WORK – Maricopa County
- ARIZONA@WORK – Mohave and La Paz Counties
- ARIZONA@WORK – Nineteen Tribal Nations (consortium of 13 tribes: Cocopah Indian Tribe, Gila River Indian Community, Salt River Pima-Maricopa Indian Community, Hopi Tribe, Quechan Indian Tribe, Colorado River Indian Tribes, Fort Mojave Indian Tribe, Hualapai Tribe, San Carlos Apache Tribe, Tohono O'odham Nation, Yavapai-Apache Nation, White Mountain Apache Tribe & Pascua Yaqui Tribe)
- ARIZONA@WORK – Northeastern Arizona (Navajo, Apache, and Gila counties)
- ARIZONA@WORK – City of Phoenix
- ARIZONA@WORK – Pima County
- ARIZONA@WORK – Pinal County
- ARIZONA@WORK – Santa Cruz County
- ARIZONA@WORK – Southeastern Arizona (Graham, Greenlee, and Cochise counties)
- ARIZONA@WORK – Yavapai County
- ARIZONA@WORK – Yuma County

All LWDAs serve the geographical region designated for the area, but do not provide services on the Navajo Nation, which receives separate WIOA funding from DOL, or tribal land of the thirteen tribes of the Nineteen Tribal Nations.[19]

[19] Individuals may apply for services at any ARIZONA@WORK Job Center in Arizona.

B. Describe the process used for designating local areas, including procedures for determining whether the local area met the criteria for “performed successfully” and “sustained fiscal integrity” in accordance with 106(b)(2) and (3) of WIOA. Describe the process used for identifying regions and planning regions under section 106(a) of WIOA. This must include a description of how the State consulted with the local boards and chief elected officials in identifying the regions

State Workforce Policy # 1 (Local Governance) describes the requirements for initial designation of local areas and the process for submitting a request for designation. A new or existing LWDA (an area previously designated under WIA) must request designation as a LWDA in writing to the Governor’s Office, which must include:

- A Chief Elected Official Agreement for Consortia as described in this policy, (if applicable);
- For newly configured workforce areas, a narrative regarding how the area meets the considerations outlined in Section 106(b)(1)(B);
- For existing workforce areas, certification that the area performed successfully and sustained fiscal integrity for the two–year period preceding enactment of WIOA (July 1, 2012–June 30, 2014);
- A list of Local Board members, to include composition categories and contact information;
- Identification of grant recipient/fiscal agent and signature of lead official;
- Documentation that public input was solicited and any comments received; and
- Signatures of chief elected officials from the petitioning counties.

Written requests from LWDAs will be received and reviewed according to the following process:

- All formal written requests (including Workforce Development Area Designation petitions) must be submitted to the Governor, with a carbon copy to the Executive Director of the Council and Assistant Director of DES/DERS.
- Petitions will be reviewed by the executive committee of the Council and by the full Council.
- A public comment period will be advertised and commence with opportunity for comment by representatives of LWDBs, chief elected officials, businesses, institutions of higher education, labor organizations, other primary stakeholders, and the general public regarding the designation of the local area (20 CFR § 679.240).
- After the required public comment period, the Council will make a recommendation to the Governor.
- Final designation of LWDAs will be made by the Governor.

Newly Configured Workforce Areas: Per WIOA 106(b)(4), the Governor may approve a request from any unit of general local government (including a combination of such units) for designation as a LWDA if the Council determines, based on the considerations described above, and recommends to the Governor, that such area should be designated.

Per Section 106(e)(1), the term performed successfully means the local area met or exceeded the negotiated levels of performance for each of the last two consecutive years for which data are available.

Per Section 106(e)(2), the term sustained fiscal integrity means that the Secretary has not made a formal determination, during either of the last two consecutive years, that either the grant recipient or the administrative entity of the area mis-expended funds provided under WIOA due to willful disregard of the requirements of the provision involved, gross negligence, or failure to comply with accepted standards of administration.

The Council established Designation Policy within the Local Governance Policy. The Council anticipates expanding existing Designation and Redesignation Policy and adding Subsequent Designation policy to the language by end of program year 2020. Subsequent designation would follow WIOA 106 (b)(3) and 20 CFR 679.250(d) and (e) and procedures developed in the Council Local Governance Policy.

Designation of Regions

The Council adopted a Regional Designation Policy that allows for each LWDA to be designated its own planning region for the first year of implementation. The Council re-evaluated this policy and determined whether creating regions makes sense from a state and local perspective. This was done to allow the system time to adjust to new structures and to evaluate impacts of the final WIOA regulations, which had not yet been released.

Prior to the Council being seated, the State produced research on the creation of regions and participated in discussions with the 12 LWDAs. The 12 LWDAs then conferred with one another and their respective Boards, ultimately creating the recommendation for a temporary designation of single area regions. The Council, once seated, adopted this policy at the request of the LWDAs and for the purposes of doing a more thorough review of the concept prior to providing a more robust recommendation to the Governor. Provide the appeals process as referred to in section 106(b)(5) of WIOA relating to designation of LWDAs.

State Workforce Policy # 1 (Local Governance) describes the requirements for LWDA designation and the process for submitting a Local Workforce Development Area Designation Request, including the appeals policy and procedure if a request for LWDA Designation is not granted.

C. Provide the appeals process referred to in section 106(b)(5) of WIOA relating to designation of local areas

Appeals: If an existing workforce area requests, but is not granted, designation as a LWDA, a unit of general local government (including a combination of such units) or grant recipient may submit a written appeal to the State Workforce Development Board within 20 days of receiving written denial notification. Appeals submitted after this time will not be considered.

The appealing entity must explain why it believes the denial is contrary to the provisions of WIOA 106(b)(2). No other cause for appeal will be considered. The Council must consider and respond in writing to such an appeal within 20 days of its receipt.

If the petitioning entity is again denied such designation, further appeal to the Secretary of Labor may occur if the entity alleges that the area meets the requirements of WIOA 106(b)(2) or that the entity was not accorded procedural rights under the State appeal process described herein. All such appeals to the Secretary must be submitted within 15 days of receipt of the notification of denial by the Council on behalf of the Governor. The appealing entity must simultaneously notify the Governor and the Council of such an appeal to the Secretary. The Secretary will make a final decision within 30 days after the appeal is received. The Secretary will notify the Governor and the appellant in writing of the Secretary's decision.

D. Provide the appeals process referred to in section 121(h)(2)(E) of WIOA relating to determinations for infrastructure funding

If core partners do not reach an agreement on infrastructure funding, the process determined by the Governor must be utilized. In accordance with section 121 (h)(2)(E) of WIOA and 20 CFR § 678.750, an appeals process will be established for an ARIZONA@WORK partner to appeal the determination of the portion of funds to be provided. The ARIZONA@WORK partner must submit the appeal to the Council as follows.

Appeals: If an ARIZONA@WORK partner wishes to appeal the Governor's determination regarding the ARIZONA@WORK partner portion of funds to be provided for one-stop infrastructure costs, the ARIZONA@WORK partner may submit a written appeal to the Council within 30 days of the Governor's determination. Appeals submitted after this time will not be considered.

The appeal may be made on the grounds that the Governor's determination is inconsistent with proportionate share requirements in 678.735(a), the cost contribution limitations in 678.735(b), or the cost contribution caps in 678.735(c). The appealing entity must explain why it believes the determination is contrary to the provisions of WIOA 121(h)(2)(E). No other cause for appeal will be considered. The Council must consider and respond in writing to such an appeal within 30 days of its receipt.

2. Statewide Activities

A. Provide State policies or guidance for the statewide workforce development system and for use of State funds for workforce investment activities

Arizona's fiscal and programmatic policies for Title I are publicly posted and provide the requirements for implementation and use of WIOA funding for Title I-B, Rapid Response, and ETPL. In addition, statewide policies on Local Governance, implementation of the ARIZONA@WORK job centers and one stop delivery system, monitoring, conflict of interest, and ARIZONA @WORK job center certification, are publicly posted. TEGs are also posted publicly for additional guidance for LWDBs and ARIZONA@WORK staff.

B. Describe how the State intends to use Governor's set aside funding. Describe how the State will utilize Rapid Response funds to respond to layoffs and plant closings and coordinate services to quickly aid companies and their affected workers. States also should describe any layoff aversion strategies they have implemented to address at risk companies and workers

The Governor's set aside funding is used to fund the following WIOA operational activities:

- AJLA hosting of AJC system;
- Arizona Registered Apprenticeship Program activities;
- Statewide Reentry Initiative; and
- Activities and resources required to meet the fiscal, contractual, procurement, Information Technology (IT), programmatic, equal opportunity, and policy requirements in WIOA.

In addition, the set-aside funding is used to fund initiatives regarding workforce and economic development.

The state reserve of Rapid Response is used to fund the required and allowable statewide and local Rapid Response activities which are described in the publicly posted WIOA policy, Chapter 2, Section 900: Rapid Response. State-level Rapid Response activities are managed by the State Rapid Response Coordinator who is responsible for the entry of Worker Adjustment and Retraining

Notification (WARN) into the AJC system, notifying the appropriate local Rapid Response Coordinator, and assisting in the coordination of layoffs, plant closings, and layoff aversion strategies.

Each local area is required to identify a local Rapid Response Coordinator who coordinates activities with a local team, to include an Employment Service, UI and, if appropriate, a TAA representative. AJC is used for program management and evaluation of rapid response activities. Local rapid response activities include the initial notification to and meeting with the employer to: (i) develop a plan and schedule with the employer, (ii) gather background information, (iii) determine assistance needs and reemployment prospects of the affected workers, and (iv) share available resources to meet short-term and long-term assistance needs of the employer and affected workers.

Technical assistance is provided to ARIZONA@WORK staff to assist in meeting the requirements, sharing best practices, and assisting to remove barriers for successful implementation to meet the needs of employers and individuals affected by layoffs, plant closings, and/or to avert layoffs.

C. In addition, describe the State policies and procedures to provide Rapid Responses in cases of natural disasters including coordination with FEMA and other entities

The DES WIOA Policy Manual, Chapter 2 Section 900: Rapid Response, describes the required actions for the State Rapid Response Coordinator, in collaboration with the local Rapid Response Coordinator(s), to respond to a mass job dislocation resulting from a natural or other disaster. The intent of the rapid response activities is for the team to aid workers and help them transition to new employment as quickly as possible.

In addition, the policy includes information on the National Dislocated Worker Grant (DWG), and how to apply for the DWG and for the coordination of services through FEMA. Also provided is information that the LWDBs should include in their DWG application to assist them with the application process. In the event of a natural disaster, the State Coordinator and the local Rapid Response Coordinator(s) will discuss the DWG application to ensure that the policy is followed.

D. Describe how the State provides early intervention (e.g., Rapid Response) to worker groups on whose behalf a Trade Adjustment Assistance (TAA) petition has been filed. (Section 134(a)(2)(A).) This description must include how the State disseminates benefit information to provide trade-affected workers in the groups identified in the TAA petitions with an accurate understanding of the provision of TAA benefits and services in such a way that they are transparent to the trade-affected dislocated worker applying for them (Trade Act Sec. 221(a)(2)(A) and Sec. 225; Governor-Secretary Agreement). Describe how the State will use funds that have been reserved for Rapid Response to provide services for every worker group that files a TAA petition.

DES WIOA Policy Manual, Chapter 2 Section 900: Rapid Response describes how the Rapid Response team provides early intervention to worker groups on whose behalf a TAA petition has been filed. Rapid Response funds are used for these activities. The TAA Policy Manual, describes the required activities to provide adversely affected workers with opportunities to get the skills, credentials, resources, and support necessary to return to suitable employment as quickly as possible.

As soon as a petition is certified, the TAA Coordinator works with the employer to get a list and contact information of all affected workers. The TAA Regional office notifies all workers of their potential benefits and services available, provides program information and an application to be completed and sent back, in order to determine individual eligibility. Once an application is received, the Determination of Eligibility is completed and sent to the individual, along with the contact information for the TAA Counselors.

The TAA Coordinator shares information with the Rapid Response Coordinator regarding the TAA petition. Rapid Response teams consist of TAA, WIOA Title I–B and Wagner–Peyser Employment Service representatives, who as a team conduct on–site presentations at the employer location (whenever permissible). Every effort is made to provide information sessions prior to the commencement of the layoffs/closures. These presentations consist of overviews of the benefits and services that can be expected from each of the partner groups with an emphasis on how TAA, WIOA Title I–B and Wagner Peyser staff will be working together as a team to offer the customer individualized comprehensive re–employment benefits and services. Whenever possible after a lay–off occurs, Intake/Orientation sessions for the TAA and WIOA Title I–B programs are co–led and combined so the customer is being co–enrolled to maximize resources.

b. Adult and Dislocated Workers Program Requirements

1. Work-Based Training Models

If the State is utilizing work-based training models (e.g. on-the-job training, incumbent worker training, transitional jobs, and customized training) as part of its training strategy and these strategies are not already discussed in other sections of the plan, describe the State's strategies for how these models ensure high quality training for both the participant and the employer.

Arizona, through the LWDBs, uses work-based training models to meet business needs by reducing training costs, employee turnover, and averting layoffs. (See sub-section 2 of this Section for Arizona's Apprenticeship model.) These models provide individuals, including those eligible for the Adult and Dislocated Worker Program, work experience, opportunities to learn new transferable skills, and job placement. LWDBs are encouraged to promote work-based training models for employers and share successes with other regions. Models currently being implemented through grants creating a contractual relationship between the LWDB and participating company include:

- On-the-job-training (OJT): Provides participants work experience and new transferable skills of the training program, which are ideal for individuals with barriers. LWDBs may reimburse employers up to 50 percent of the worker's wages, and employers that provide OJT are required to hire participants that successfully complete training. LWDBs also have the flexibility to increase the reimbursement to 75 percent when factors, as described in TEG 19-16, are met and documented.
- Incumbent worker training: Averts layoffs by transitioning employees to other positions that will not be eliminated and create backfill opportunities for less-skilled employees. Rapid Response Coordinators work with employers who have notified the state and LWDBs of imminent layoffs. This program provides an option of training employees in new skills to transition the employee into other positions and avert layoffs. Twenty percent of the LWDB's total Adult and Dislocated Worker funds may be used for incumbent worker training. LWDBs may reimburse according to the following schedule: (1) employers with <50 employees: grant reimburses 90 percent and employer matches ten percent; (2) employers with 51-100 employees: grant reimburses 75 percent and employer matches 25 percent; (3) employers with >101 employees: grant reimburses 50 percent and employer matches 50 percent.
- Customized training: Assists employers in training current employees and participants referred to the employer for both pre-vocational and/or incumbent training. Customized training may cover topics such as the introduction of new technologies, new production or service procedures, as well as upgrading to new jobs that require additional skills. Customized training will also be used as an incentive to attract businesses to relocate to Arizona and required to pay for a significant portion of

the training costs based on the number of employees participating, the wage, and other factors. Customized training requires a commitment from the employer to hire the participants after successful completion of the training program.

- Transitional jobs: Serves individuals with chronic unemployment, poor work history, and severe barriers to employment. Transitional jobs will allow the participant to establish a work history, demonstrate work success and develop skills that lead to unsubsidized employment.

To ensure high quality training for both the employer and the participant, priority consideration will be given to training programs that are related to an in-demand occupation, aligned with career pathways and industry sectors and result in a recognized postsecondary credential. LWDBs are required to collect performance data on work-based training programs. LWDBs must not continue to contract with employers who fail to provide participants long term employment opportunities, with wages and benefits, and working conditions comparable to other employees who have worked a similar amount of time, doing the same type of work. LWDBs will monitor employer onsite contracts to ensure training, wages, hours, benefits, and working conditions are provided in accordance with the contract. Training participants' performance and progress will be monitored during the training to determine supportive service needs, the appropriateness of the training activity and if placement in unsubsidized employment has occurred.

2. Registered Apprenticeship

Describe how the State will incorporate Registered Apprenticeship into its strategy for service design and delivery (e.g., job center staff taking applications and conducting assessments).

DES is the State Registering agency and its Apprenticeship Office provides apprenticeship services across the state using statewide reserved funds. Apprenticeship opportunities are offered through an employer or the program sponsor. Apprentices gain knowledge with structured learning and on-the-job training. Apprentices earn a paycheck from day one that is guaranteed to increase over time as they learn new skills. Apprentices receive an industry-recognized credential upon completion of an apprenticeship program. Apprenticeship opportunities are available in a wide range of industries such as health care, construction, manufacturing, information technology, hospitality, water and wastewater treatment, insurance and so many more.

The Apprenticeship Office works closely with LWDBs to develop strategies for engaging the business community and increasing the visibility of the Apprenticeship Program. The office also maintains active contact with the ARIZONA@WORK Business Service Teams, LVERs, and presents apprenticeship opportunities to stakeholders statewide, including employers, industry groups, chambers of commerce, veterans' groups, the Rehabilitation Service Administration, community colleges, as well as ADE, including the Career Technical Education Districts in all areas of Arizona. Community colleges are working with Registered Apprenticeship directors to partner with registered apprenticeship programs and to become sponsors of programs in Arizona.

The State developed a strategic plan to align goals and activities with the sector strategies and initiatives identified by LWDBs in their new local plan modifications. Apprenticeship representatives conduct site visits to the ARIZONA@WORK Job Centers to engage with the LWDB service providers on the benefits of partnering with registered apprenticeship programs. This collaborative effort provides more opportunities for job seekers entering into a career. The Arizona Apprenticeship Office has assisted the LWDBs with outreach efforts and technical assistance to increase their registered programs and help expand those existing programs by adding new occupations.

3. Training Provider Eligibility Procedure

Provide the procedure, eligibility criteria, and information requirements for determining training provider initial and continued eligibility, including Registered Apprenticeship programs (WIOA Section 122).

ARIZONA@WORK's ETPL contains training programs that are approved by the State ETPL Coordinator in DES and LWDBs to provide training services to eligible WIOA Title I-B participants in accordance with the Workforce Innovation and Opportunity Act (WIOA) of 2014, and 20 CFR § 680, 683 Subpart F, and 685.140, TEGL 3-18, TEGL 10-16, Change1. The policy is under revisions to ensure compliance with TEGL 08-19. Records are maintained on AJC, the state's labor exchange system, allowing training providers to complete an application on the AJC website, and all approved programs are available to the public and to ARIZONA@WORK partners on that website. DES and LWDBs share the responsibility of managing the ETPL, including approving programs for initial and continued eligibility, reviewing the quality of training services including whether programs leads to recognized postsecondary credentials, ensuring training provider compliance, and ensuring accuracy of information, removing training providers or programs, and monitoring of training providers. The policy is being revised to ensure Registered Apprenticeship programs are informed of their automatic eligibility and advising the program sponsor on the option to opt into the ETP list. The policy will also indicate Registered apprenticeship programs are identified as eligible providers and are not subject to the requirements to initial and continued eligibility requirements in this policy. If a Registered Apprenticeship program is registered with the Arizona Apprenticeship Office or the USDOL Office of Apprenticeship, the program is automatically approved to be an eligible training provider. Apprenticeship programs that are not registered with the Arizona Apprenticeship Office or the U.S. Department of Labor, Office of Apprenticeship are not excluded from the ETPL, but do need to be evaluated and meet criteria for initial and continued eligibility to be added to the ETPL and to remain on the list. LWDBs are required to establish Local ETPL policies, which include a local appeal process for providers. The revised policy will also require LWDBs to ensure access to training services throughout the state including rural areas, by approving programs that use technology-based learning and meet all state and local requirements. LWDB staffs assume the responsibilities for the training provider eligibility process and must work with DES to ensure there are a sufficient number and types of training services, including eligible training providers with expertise in assisting individuals with disabilities and eligible providers with expertise in assisting adults in need of adult education and literacy activities and serving the local area. Including the ETPs ability to provide training which are physically and programmatically accessible for individuals who are employed and those with barriers to employment, including individuals with disabilities.

DES approves training providers after ensuring the providers meet the training provider eligibility requirements listed in the WIOA and State policy. These include having a physical location in Arizona and providing training for at least 12 months prior to submitting the ETPL application. Training providers must maintain licenses from appropriate federal, state or professional licensing authorities, as required by law, have a written student grievance policy and refund policy, and also maintain liability insurance. The LWDB must not limit consumer choice. The revised policy will allow LWDBs to require additional criteria, except for Registered Apprenticeship Programs, and additional information from local providers to become eligible and remain eligible as a local provider in the LWDA. When reviewing provider applications for inclusion on the state's ETPL, the revised policy will require LWDBs to use only the state's requirements and not the LWDB's additional local criteria.

Under the revised policy, LWDB staff must require the training provider supply information regarding the training provider's partnerships with a business. The information may include whether the training program is offered or was designed as a result of the partnership and must also include a list of employers that have committed to hire graduates from the training program.

After approval, each training program is evaluated individually by the ETPL Coordinator in the local area where the training provider is located to determine if the training programs meet state and local ETPL requirements, including initial performance data standards, resulting in a federally or locally recognized credential and being related to an In-Demand sector or occupation in Arizona. The local ETPL Coordinator reviews the following: a detailed description of the program, the total cost of the program, including the cost of tuition, books, and any fees, credential information, and labor market information for the related occupation, including the minimum entry level wage and demand for the occupation in the local area, and initial performance data. Arizona uses the training program's credential attainment rate as the performance factor for initial eligibility. Programs that are approved

at the local level are reviewed for accuracy and completeness by the State ETPL Coordinator and placed on the statewide ETPL for a one-year initial eligibility period.

LWDBs target training programs that support In-Demand industries and occupations and prepare participants for jobs in identified career pathways. Using Labor Market Information (LMI), ARIZONA@WORK staff also determine higher paying jobs, in-demand industry sector and occupations in the local area and work with local employers to determine the minimum requirements for these jobs and the types of training and certification requirements for these positions. Using this information, ARIZONA@WORK staff will reach out to local training providers to encourage them to add their training program to the ETPL.

All training programs listed on the ETPL (except registered apprenticeship programs) are reviewed bi-annually for continued eligibility in accordance with WIOA and State policy for the ETPL. Arizona consults with LWDBs, community colleges, and other training providers, and holds regular statewide calls to discuss the requirements for tracking performance and gathering performance data, identifying barriers, and developing strategies for collecting the required information in a timely manner. Registered Apprenticeship programs are not subject to performance requirements. The LWDB and the State ETPL Coordinator will review the training provider's program performance based on the performance accountability measures, using data on all WIOA Title I-B participants who participated in the training program during the performance period. The LWDB and State ETPL Coordinator also determines whether the training provider submitted the eligible training performance report timely and accurately.

Each program's performance will be evaluated against state performance standards to determine if the program will remain on the list. Training providers must submit the following performance data annually for all programs listed on the ETPL, and data must include all students (WIOA and non-WIOA) who participated in each training program: the percentage of program participants who are in unsubsidized; the percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from the program employment during the second quarter after exit from the program; the median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program; the percentage of program participants who obtain a recognized credential or a secondary school diploma or its equivalent during participation or within a year after exit (A secondary school diploma or its equivalent is only counted in this measure if the participants has retained or obtained employment or are in an education or training program leading to a recognized credential within 1 year after exit). This includes, collecting performance and cost information and any other required information related to programs from training providers. The revised policy will indicate the state considers a "substantial violation if the requirement of proving all information is not submitted timely and accurately."

Training providers have a right to appeal any DES or LWDA decision or action that has an adverse effect on the organization. An adverse action resulting from a uniform change in federal or state law is not appealable unless the law was misapplied to the person or entity seeking the hearing. Appeals regarding the eligibility of a training provider are to be filed with DES. All other appeals are filed with the LWDA regardless of which entity denied eligibility. A notice to deny eligibility for the ETPL must clearly state that the training provider has a right to appeal within 30 calendar days from the date on the denial notice. Additionally, training providers must request an appeal within 30 calendar days of the decision. The request for an appeal request must include: the name, address, and telephone number of the training provider, a description of the adverse action, the date on the notice of the adverse action; and a statement explaining why the training provider disagrees with the adverse action.

The process to remove a training provider from the ETPL is being developed and will be incorporated into the ETPL Policy draft which is currently under revision.

LWDBs have the flexibility to provide WIOA Title I-B Youth Program Elements directly based on whether they can most efficiently and cost-effectively provide the 14 elements, and the services that are part of the program design. The LWDB must award such grants or contracts on a competitive basis according to federal procurement guidelines in the Code of Federal Regulations Part 200 and 2900 - Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.

2. Describe the strategies the State will use to achieve improved outcomes for out-of-school youth as described in 129(a)(1)(B), including how it will leverage and align the core programs, any Combined State Plan partner programs included in this Plan, required and optional one-stop partner programs, and any other resources available.

Arizona's strategy includes building partnerships with local area organizations and programs that have previously served out-of-school youth or are currently serving out-of-school youth, and that are able to refer out-of-school to the WIOA Title I-B Youth Program. These partnerships will help to increase awareness of the WIOA Youth Program and services available in the state's communities and increase the number of youth who apply for and receive services. Partners will also identify additional opportunities for resource sharing to reconnect youth to education and/or employment.

To serve youth who have recently dropped out of school or graduated high school, Arizona will expand partnerships with the public school system, including high schools and alternative high schools, to establish data sharing agreements and/or a referral system for recent dropouts and graduating youth (with the appropriate consents), to be referred to ARIZONA@WORK Job Centers for services such as assistance with obtaining a high-school equivalency and/or assistance in entering employment and/or postsecondary education.

Arizona will be working closely with organizations that serve runaways and homeless youth, pregnant and parenting youth, subjects of the adult or juvenile justice system, including the Arizona Department of Corrections, juvenile hall and juvenile probation, foster care partners, and organizations that provide services to youth with disabilities. Arizona will be able to focus on serving youth most in need, and services provided will increase outcomes for these young adults. Arizona will also seek to increase referrals from the YouthBuild program and Adult Education programs.

Arizona will continue efforts to strengthen partnerships with educational programs, such as CTE programs, focused on sharing resources to prevent youth from dropping out of school.

3. Describe how the state will ensure that all 14 program elements described in WIOA section 129(c)(2) are made available and effectively implemented, including quality pre-apprenticeship programs under the work experience program element. [12]

[12] Sec. 102(b)(2)(D)(i)(I)

DES allocates youth formula funds to the LWDBs, which must be used to provide youth program services to eligible youth. The youth program provider must determine what specific program services will be provided to each youth based on the objective assessment and individual service strategy. Availability and implementation of each element may vary in each LWDA depending on the framework design. Local programs may leverage partner resources to provide some of the readily available program elements, however the LWDB must ensure that the program element is closely

connected and coordinated with the ARIZONA@WORK youth program. LWDBs are monitored annually to ensure the 14 elements are made available to youth.

The LWDBs must design the framework of youth services to ensure the required program elements support youth in the attainment of a high school diploma or its recognized equivalent, entry into postsecondary education to obtain a federally recognized credential, and career readiness for entry into employment. The 14 program elements, as described in TEGl 21-16, must be provided by each LWDB or a community partner organization. Arizona's Apprenticeship Office will continue its coordination with ADE's CTE program to develop pre-apprenticeship opportunities, including for youth enrolled in ARIZONA@WORK.

4. Provide the language contained in the State policy for “requiring additional assistance to enter or complete an educational program, or to secure and hold employment” criterion for out-of-school youth specified in WIOA section 129(a)(1)(B)(iii)(VIII) and for “requiring additional assistance to complete an education program, or to secure and hold employment” criterion for in-school youth specified in WIOA section 129(a)(1)(C)(iv)(VII). If the state does not have a policy, describe how the state will ensure that local areas will have a policy for these criteria.

Arizona is a large state with diverse needs affected by geographic and cultural conditions. Flexibility for LWDBs is required to ensure that service delivery is adapted to local needs. WIOA Title I-B Section 200: Youth Program Policy requires each LWDB to define the eligibility criteria “requires additional assistance to complete an educational program or to secure or hold employment” in the LWDB's local plan and in local policies. DES reviews local plans at a minimum every two years, to ensure required youth elements are included, and makes recommendations to the Council for approval of the local plans.

5. Include the State definition, as defined in law, for not attending school and attending school as specified in WIOA Section 129(a)(1)(B)(i) and Section 129(a)(1)(C)(i). If State law does not define “not attending school” or “attending school,” indicate that is the case and provide the state policy for determining whether a youth is attending or not attending school.

The Arizona Revised Statute 15-802 requires every child between the ages of 6 and 16 years to attend school and be provided instruction in at least the subjects of reading, grammar, mathematics, social studies and science. The person who has custody of the child shall choose a public, private, or charter school or homeschool, as defined in Arizona Revised Statutes 15-802G, to provide instruction, or shall sign a contract to participate in an Arizona Empowerment Scholarship Account pursuant to section 15-2402. For WIOA purposes, attending school applies to both secondary and postsecondary school. Individuals who are participating in Adult Education programs, Job Corps and YouthBuild are not considered to be attending school.

6. If using the basic skills deficient definition contained in WIOA Section 3(5)(B), include the State definition which must further define how to determine if an individual is unable to compute or solve problems, or read, write, or speak English, at a level necessary to function on the job, in the individual's family, or in society. If not using the portion of the definition contained in WIOA Section 3(5)(B), indicate that is the case.

The Arizona WIOA Title I–B Policy Manual, Section 200: Youth Program, specifies that youth are considered basic skills deficient if they perform either of the following at or below an 8.9 grade level using a state–approved standardized test: (1) computes or solves math problems; or (2) reads, writes, or speaks English.

In addition, a youth is considered basic skills deficient if unable to compute or solve problems, or if unable to read, write or speak English at a level necessary to function on a job, in the individual's family, or in society, as determined in local policy. Acceptable verification and documentation for youth of basic skills deficiency includes school records or current acceptable assessment test results. Please see PB 19-026 for most current assessment test.

https://des.az.gov/sites/default/files/media/pb_19_026_8_12_19_basic_skills_assessments.pdf

d. Single-area State Requirements

In States where there is only one local workforce investment area, the governor serves as both the State and local chief elected official. In such cases, the State must submit any information required in the local plan (WIOA section 106(d)(2)). States with a single workforce area must include—

1. Any comments from the public comment period that represent disagreement with the Plan. (WIOA section 108(d)(3).)
2. The entity responsible for the disbursement of grant funds, as determined by the governor, if different from that for the State. (WIOA section 108(b)(15).)
3. A description of the type and availability of WIOA title I Youth activities and successful models, including for youth with disabilities. (WIOA section 108(b)(9).)

Arizona is not a single–area state.

4. A description of the roles and resource contributions of the one-stop partners.

Arizona is not a single–area state.

5. The competitive process used to award the subgrants and contracts for title I activities.

Arizona is not a single–area state.

6. How training services outlined in section 134 will be provided through individual training accounts and/or through contracts, and how such training approaches will be coordinated. Describe how the State will meet informed customer choice requirements regardless of training approach.

Arizona is not a single–area state.

7. How the State Board, in fulfilling Local Board functions, will coordinate title I activities with those activities under title II. Describe how the State Board will carry out the review of local applications submitted under title II consistent with WIOA secs. 107(d)(11)(A) and (B)(i) and WIOA sec. 232.

Arizona is not a single–area state.

8. Copies of executed cooperative agreements which define how all local service providers will carry out the requirements for integration of and access to the entire set of services available in the one-stop delivery system, including cooperative agreements with entities administering Rehabilitation Act programs and services.

Arizona is not a single–area state.

e. Waiver Requests (optional)

States wanting to request waivers as part of their title I-B Operational Plan must include a waiver plan that includes the following information for each waiver requested:

1. Identifies the statutory or regulatory requirements for which a waiver is requested and the goals that the State or local area, as appropriate, intends to achieve as a result of the waiver and how those goals relate to the Unified or Combined State Plan;
2. Describes the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers;

3. Describes the goals of the waiver and the expected programmatic outcomes if the request is granted;
4. Describes how the waiver will align with the Department's policy priorities, such as:
 - A. Supporting employer engagement;
 - B. Connecting education and training strategies;
 - C. Supporting work-based learning;
 - D. Improving job and career results, and
 - E. Other guidance issued by the department.
5. Describes the individuals affected by the waiver, including how the waiver will impact services for disadvantaged populations or individuals with multiple barriers to employment; and
6. Describes the processes used to:
 - A. Monitor the progress in implementing the waiver;
 - B. Provide notice to any local board affected by the waiver;
 - C. Provide any local board affected by the waiver an opportunity to comment on the request;
 - D. Ensure meaningful public comment, including comment by business and organized labor, on the waiver.
 - E. Collect and report information about waiver outcomes in the State's WIOA Annual Report.
7. The Secretary may require that States provide the most recent data available about the outcomes of the existing waiver in cases where the State seeks renewal of a previously approved waiver.

For PYs 2020 to 2023, Arizona requests an extension to the current, approved waiver of the requirement (20 CFR § 681.550) that Individual Training Accounts (ITAs) are only available to Out-of-School Youth enrolled in the WIOA Title I-B Youth Program. The current waiver was granted by the DOL on November 14, 2019.

This waiver enables In-School Youth ages 18 to 21 to use an ITA to purchase training services from training providers listed on ETPL, allowing Arizona to continue serving In-School Youth preparing to

graduate high school and supporting their goal of entry into postsecondary education. This waiver encourages Youth Service Providers to continue supporting In-School Youth with postsecondary education and training activities allowing these youth to obtain industry-recognized credentials required for employment. It also helps with the recruitment of In-School Youth for enrollment into WIOA Title I-B Youth Program, expands the menu of services available to In-school youth enrolled in the WIOA Title I-B Youth Program, and increases consumer choice by the allowing In-School Youth to choose any of the training programs listed on Arizona's ETPL. Without the waiver, In-School Youth will be limited to occupational skills training programs that are procured for youth. The waiver also allows Arizona to assist In-School youth already enrolled in postsecondary education by providing ITAs to assist paying for tuition and education-related expenses and fees. This allows the In-School Youth to complete their training program, provided the training program is listed on the ETPL. Arizona requests an extension of this waiver to allow LWDB within the State sufficient time to utilize the waiver and assess the outcomes of In-School Youth utilizing an ITA to pursue postsecondary education and training activities.

Arizona served 2,444 Out-of-School Youth and 326 In-School Youth in PY 2018. In PY18, Arizona spent \$10,443,244 on Out-of-School Youth and \$1,836,914 on In-School Youth, maintaining the required 75 percent of expenditures on Out-of-School Youth. Arizona continues its focus to serve Out-of-School Youth with the goal of increasing outcomes and increasing the number of Out-of-School Youth applying for and receiving WIOA Title I-B Youth Program services and increasing awareness by building partnerships with organizations and programs that serve Out-of-School Youth.

In preparing job seekers, as outlined in Goal #3 of the Arizona Unified State Workforce Development Plan for PYs 2020 to 2023, training opportunities must be available to both Out-of-School and In-School Youth.

1. *The statutory and/or regulatory requirements the State would like to waive:*

Arizona requests approval to waive the requirement under 20 CFR § 681.550 allowing use of ITAs to only Out-of-School Youth for attending training programs on the ETPL. Arizona requests ITAs also be available to In-School Youth so they may attend training programs on the ETPL.

2. *Actions the State has undertaken to remove State or local barriers:*

N/A

3. *State the strategic goal(s) and DOL priorities (i.e. expansion of apprenticeship, improved employer engagement, etc.) supported by the waiver:*

The waiver will support the implementation of the State Plan by:

1. Supporting Goal 3; prepare job seekers, as defined in Arizona's Unified Workforce Development Plan for PYs 2020 to 2023, The State Plan specifies that supporting participants as early as possible to obtain core employment and basic skills services is one of Arizona's current strengths. By extending this waiver, Arizona will continue to assist youth in obtaining industry-recognized credentials that lead to employment.
2. Encouraging transition of youth to postsecondary education and supporting entry into career pathways, including those with low skill levels.
3. Encouraging Youth Service Providers to serve and support In-School Youth already enrolled in postsecondary education by issuing an ITA to assist with costs of the training program, therefore improving success in completion of the training program.

4. *Projected programmatic outcomes resulting from implementation of the waiver:*

It is anticipated that more In-School Youth will obtain industry-recognized credentials as the result of gaining access to training programs listed on the ETPL. The WIOA Title I-B Youth Program's performance is expected to increase due to the state's Credential Attainment Rate. The current

waiver was approved by DOL in November 2019, and the State intends to continue collecting and monitoring data to determine the outcomes of the waiver implementation.

5. *DOL Policy Priorities*

This waiver request aligns with DOL policy priority for increasing the number of youth who transition into postsecondary education. The waiver supports DOL’s commitment to providing high quality services for youth, including opportunities for skills training for in-demand industries and occupations that result in employment, enrollment in postsecondary education, and/or registered apprenticeships.

6. *Individuals, groups, or populations benefitting from the waiver:*

1. In-School Youth are supported during their transition from secondary education into postsecondary education. By issuing ITAs, youth may receive financial assistance to attend training listed on Arizona’s ETPL, earn industry-recognized credentials, and become employed in jobs on a career pathway.
2. In-School Youth already attending postsecondary education are supported to ensure completion of their training programs, to obtain industry-recognized credentials, and to become employed in jobs on a career pathway.
3. In-School Youth benefit from increased consumer choice as Arizona’s ETPL currently includes over 1,200 training programs in PY 2018. The ETPL also provides information regarding the related occupation, expected entry-level wage, training program cost, and training program performance information allowing youth to make an informed choice regarding their training options.

7. *How the State plans to monitor waiver implementation, including collection of waiver outcome information:*

1. Arizona will continue to monitor spending levels for Out-of-School Youth ensuring at least 75 percent of WIOA Title I-B Youth funds are spent on Out-of-School Youth.
2. Arizona will continue to monitor ITAs issued to In-School and Out-of-School Youth to ensure they are used for attending training programs listed on the ETPL.
3. Arizona provides technical assistance for reengaging Out-of-School Youth and increasing enrollment with the LWDBs.

8. *Assurance of State posting of the request for public comment and notification to affected local workforce development boards:*

This request for a waiver was posted online on the ARIZONA@WORK website from February 4 to 11, 2020 and disseminated via e-mail to ARIZONA@WORK partners, including LWDBs, with an opportunity to comment on the request.

Title I-B Assurances

The State Plan must include assurances that:

| The State Plan must include | Include |
|---|---------|
| 1. The State has implemented a policy to ensure Adult program funds provide a priority in the delivery of training services and individualized career services to individuals who are low income, public assistance recipients and basic skills deficient; | Yes |
| 2. The State has implemented a policy to ensure local areas have a process in place for referring veterans with significant barriers to employment to career services provided by the JVSG program’s Disabled Veterans’ Outreach Program (DVOP) specialist; | Yes |

| The State Plan must include | Include |
|--|---------|
| 3. The State established a written policy and procedure that set forth criteria to be used by chief elected officials for the appointment of local workforce investment board members; | Yes |
| 4. The State established written policy and procedures to ensure local workforce investment boards are certified by the governor every two years in accordance with WIOA section 107(c)(2); | Yes |
| 5. Where an alternative entity takes the place of a State Board, the State has written policy and procedures to ensure the alternative entity meets the definition under WIOA section 101(e) and the legal requirements for membership; | Yes |
| 6. The State established a written policy and procedure for how the individuals and entities represented on the State Workforce Development Board help to determine the methods and factors of distribution, and how the State consults with chief elected officials in local areas throughout the State in determining the distributions; | Yes |
| 7. The State will not use funds received under WIOA Title I to assist, promote, or deter union organizing in accordance with WIOA section 181(b)(7); | Yes |
| 8. The State distributes adult and youth funds received under WIOA equitably throughout the State, and no local area suffers significant shifts in funding from year-to-year during the period covered by this plan; | Yes |
| 9. If a State Workforce Development Board, department, or agency administers State laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser services, Adult and Dislocated Worker programs and Youth Programs under Title I; | Yes |
| 10. The State agrees to report on the impact and outcomes of its approved waivers in its WIOA Annual Report. | Yes |
| 11. The State has taken appropriate action to secure compliance with the Uniform Guidance at 2 CFR 200 and 2 CFR 2900, including that the State will annually monitor local areas to ensure compliance and otherwise take appropriate action to secure compliance with the Uniform Guidance under section WIOA 184(a)(3); | Yes |

Adult Program Performance Indicators

Performance Goals for the Core Programs

Each state submitting a Unified or Combined State Plan is required to identify expected levels of performance for each of the primary indicators of performance for the first two years covered by the plan. The state is required to reach agreement with the Secretary of Labor, in conjunction with the Secretary of Education, on state-negotiated levels of performance for the indicators for each of the first two years of the plan.

For Program Year (PY) 2016-2019 plans, the Departments used the transition authority under section 503(a) of WIOA to designate certain primary indicators of performance as “baseline” indicators to ensure an orderly transition from the requirements of the Workforce Investment Act of 1998 to those under WIOA. A “baseline” indicator was one for which states did not propose an expected level of performance and did not come to agreement with the Departments on negotiated levels of performance because sufficient data was not available to establish such performance levels. As a result, “baseline” indicators were not used in the end of the year adjustment of performance levels and were not used to determine failure to meet adjusted levels of performance for purposes of sanctions. The Departments designated indicators as “baseline” based on the likelihood of a State having insufficient data with which to make a reasonable determination of an expected level of performance.

For PYs 2020-2023 Plans, Title I programs (Adult, Dislocated Worker, and Youth) and the Title II program (Adult Education and Family Literacy Act) will have two full years of data available to make reasonable determinations of expected levels of performance for the following indicators for PY 2020 and PY 2021:

- Employment (Second Quarter after Exit);
- Employment (Fourth Quarter after Exit);
- Median Earnings (Second Quarter after Exit);
- Credential Attainment Rate; and
- Measurable Skill Gains

The Wagner-Peyser Act Employment Service program, authorized under the Wagner-Peyser Act, as amended by title III of WIOA, will have two full years of data available to make a reasonable determination of expected levels of performance for the following indicators for PY 2020 and PY 2021:

- Employment (Second Quarter after Exit);
- Employment (Fourth Quarter after Exit); and
- Median Earnings (Second Quarter after Exit)

The Credential Attainment Rate and Measurable Skill Gains indicators do not apply to the Wagner-Peyser Act Employment Service program; therefore, this program will not submit expected levels of performance for these indicators.

For the first two years of PYs 2020-2023 Plans, the Vocational Rehabilitation (VR) program, authorized under title I of the Rehabilitation Act of 1973, as amended by title IV of WIOA, will have two full years of data available for the Measurable Skill Gains indicator only. Therefore, the Departments will designate the following indicators as “baseline” for the VR program for PY 2020 and PY 2021:

- Employment (Second Quarter after Exit);
- Employment (Fourth Quarter after Exit);
- Median Earnings (Second Quarter after Exit); and
- Credential Attainment Rate

VR agencies must continue to collect and report on all indicators, including those that have been designated as “baseline, pursuant to section 116(d) of WIOA.” The actual performance data reported by these programs for indicators designated as “baseline” for PY 2020 and PY 2021 will serve as baseline data in future years. The Departments will require VR agencies to submit expected levels of performance for these indicators for PY 2022 and PY 2023.

The Departments determined that the Effectiveness in Serving Employers indicator will be measured as a shared outcome across all six core programs within each state to ensure a holistic approach to serving employers. The Departments will continue piloting approaches for measuring this indicator for the first two years of PY 2020-2023 plans. Therefore, states are not required to submit an expected level of performance for the Effectiveness in Serving Employers indicator for PY 2020 and PY 2021. However, core programs are expected to collect data and report on this indicator for PY 2020 and PY 2021 as they did for PYs 2016-2019 plans.

Each core program must submit an expected level of performance for all of the other indicators, as applicable, with the exception of the four indicators designated as “baseline” for the VR program in PY 2020 and PY 2021. The Departments will work with states during the negotiation process to establish negotiated levels of performance for each of the primary indicators for the core programs not listed as “baseline.” Each state must update its plan to include the agreed-upon negotiated levels of performance before the Departments approve a state’s plan.

States may identify additional indicators in the plan, including additional approaches to measuring Effectiveness in Serving Employers, and may establish levels of performance for each of the state indicators. Please identify any such state indicators under Additional Indicators of Performance.

| Performance Indicators | PY 2020 Negotiated Level | PY 2021 Negotiated Level |
|---|-----------------------------|-----------------------------|
| Employment (Second Quarter After Exit) | 71.4% | 71.4% |
| Employment (Fourth Quarter After Exit) | 67.5% | 67.5% |
| Median Earnings (Second Quarter After Exit) | \$6,500 | \$6,500 |
| Credential Attainment Rate | 74.8% | 74.8% |
| Measurable Skill Gains | 59.2% | 59.2% |
| Effectiveness in Serving Employers | Not Applicable ¹ | Not Applicable ¹ |

¹

“Effectiveness in Serving Employers” is still being piloted and this data will not be entered for 2020 State Plans.

Dislocated Program Performance Indicators

Performance Goals for the Core Programs

Each state submitting a Unified or Combined State Plan is required to identify expected levels of performance for each of the primary indicators of performance for the first two years covered by the plan. The state is required to reach agreement with the Secretary of Labor, in conjunction with the Secretary of Education, on state-negotiated levels of performance for the indicators for each of the first two years of the plan.

For Program Year (PY) 2016-2019 plans, the Departments used the transition authority under section 503(a) of WIOA to designate certain primary indicators of performance as “baseline” indicators to ensure an orderly transition from the requirements of the Workforce Investment Act of 1998 to those under WIOA. A “baseline” indicator was one for which states did not propose an expected level of performance and did not come to agreement with the Departments on negotiated levels of performance because sufficient data was not available to establish such performance levels. As a result, “baseline” indicators were not used in the end of the year adjustment of performance levels and were not used to determine failure to meet adjusted levels of performance for purposes of sanctions. The Departments designated indicators as “baseline” based on the likelihood of a State having insufficient data with which to make a reasonable determination of an expected level of performance.

For PYs 2020-2023 Plans, Title I programs (Adult, Dislocated Worker, and Youth) and the Title II program (Adult Education and Family Literacy Act) will have two full years of data available to make reasonable determinations of expected levels of performance for the following indicators for PY 2020 and PY 2021:

- Employment (Second Quarter after Exit);
- Employment (Fourth Quarter after Exit);
- Median Earnings (Second Quarter after Exit);

actions will be based on the needs as reflected in the most recent CSNA, SRC client satisfaction survey, and continuing work with the statewide workforce development partners.

Strategies include:

- Increasing communication with CRPs through consistent meetings which involve both the VR and provider staff to discuss contract requirements, expectations, challenges, and resolutions.
- Consistently monitor CRPs performance through onsite and desk contract monitoring.
- Provide training to community rehabilitation providers regarding the provision of VR services and expected outcomes.
- Conduct targeted outreach for providers in areas with identified service gaps.
- Collaborate with SRC to identify CRPs and programs to establish new and varied vendor and liaison relationships.
- Collaborate with community organizations to increase awareness of Arizona VR and advance the mission of the organization.
- Embrace the dual customer approach and partner with business to meet their training, recruitment, hiring, accommodation, and retention needs.
- Reevaluate the method of payments for provider travel to minimize service gaps in rural areas.

6. Strategies to improve the performance of the State with respect to the performance accountability measures under section 116 of WIOA

The VR case management system has been modified to include the WIOA data elements needed to collect Common Performance Measure data. The VR Program utilizes the data gathered each quarter to measure current performance and gather data to inform the statistical adjustment model to negotiate target performance.

VR will continue to work with the Workforce Innovation Technical Assistance Center (WINTAC) to explore methods to inform staff about the WIOA performance measures as well as how to best utilize the data to inform program development. Various trainings on the performance measures and how to collect relevant information have been conducted since the establishment of the measures and these training documents are stored in a central location that can be accessed by staff at any time.

Since the implementation of the AMS, VR has developed and piloted several standard work processes and documentation to allow program staff across the state the opportunity to consistently perform common functions. Through the development of standard work and tracking outcome data, VR staff will be able to create a baseline measure from which to identify gaps in performance and opportunities to improve processes.

The VR Program utilizes a system of metrics and scorecards to guide program and staff performance. Metrics are developed to measure critical aspects of compliance and performance as outlined in WIOA as well as performance on key initiatives. Data sets are provided specific to each staff and rolled up into office, region, and statewide metrics. This promotes tiered accountability and provides leadership at all levels the ability to review the data and identify trends and areas for improvement or problem-solving opportunities.

7. Strategies for assisting other components of the statewide workforce development system in assisting individuals with disabilities

VR contracts with Arizona Center for the Blind and Visually Impaired (ACBVI) to facilitate training and resource development, with a focus on the use of assistive technology for various disabilities and disability awareness, for all staff in the Arizona workforce system and employers. Partner staff can request trainings at any time.

VR key personnel participate on all LWDBs to ensure the needs of individuals with disabilities are always considered. VR staff's active involvement and participation in the decision-making processes at the local level are opportunities to identify potential areas for improvement and service expansion in regional workforce development.

VR staff will continue to participate in staff workshops and training sessions to educate the broader workforce development system staff about the VR Program and services.

8. How the agency's strategies will be used to:

A. Achieve goals and priorities by the State, consistent with the comprehensive needs assessment;

The strategies identified throughout this section will help the state achieve the goals and priorities stated in (I)(2) of this plan by ensuring:

- Partnerships with other federal/state and community programs are in place and available to support individuals with disabilities via referrals, comparable benefits, and potential long-term employment supports;
- Staff and partners have knowledge, skills, and resources related to Assistive Technology (AT) and are able to effectively engage, with and support clients who require and/or benefit from the use AT in terms of accessing information, programs, and other necessary services;
- Information about the VR program, including the availability of Pre-Employment Transition Services (Pre-ETS) for eligible and potentially eligible students with disabilities is widely available and disseminated through a variety of platforms and methods, especially to tribal, rural, and minority communities; and
- Events, meetings, conferences, etc. are used to conduct outreach, gather information and ideas on how to meet the needs of various populations/communities, and obtain feedback on the performance of the VR program and staff.

B. Support innovation and expansion activities; and

The VR Program continues to engage with several federally funded technical assistance centers to support the innovation and expansion activities allowable under WIOA. VR maintains an intensive technical assistance agreement with WINTAC related to performance measures, Pre-Employment Transition Services, and implementation of Section 511- subminimum wage employment. Agreements with the National Technical Assistance Center of Transition and Youth Technical Assistance Center help VR to address needs related to improving and expanding service delivery to potentially eligible students and youth with disabilities.

Arizona will continue to support the SRC and the State Independent Living Council in joint efforts to support and expand services to individuals with disabilities. Arizona continues to work with existing and new partners to identify opportunities to increase access and participation in the VR and supported employment programs.

Strategies include:

- Identification of new and innovative practices related to the provision of pre-employment transition services.
- Identification of opportunities to utilize assistive technologies in order to facilitate client participation from rural areas or for those clients who face transportation challenges.
- Expand professional development activities for both staff and CRPs.
- Develop agreements with state workforce development entities to provide services to job seekers with disabilities.

C. Overcome identified barriers relating to equitable access to and participation of individuals with disabilities in the State VR Services Program and the State Supported Employment Services Program.

As described in various sections of this plan, VR will continue to assist ARIZONA@WORK job centers and staff to learn best practices for serving individuals with disabilities by providing access to resources and training related to disability awareness and assistive technology.

VR will continue to enhance the partnership with DDD and will focus on building a team dedicated to collaborating with DDD to increase referrals to the VR Program and serving mutual clients. VR will continue to participate on the Employment First Steering committee as well as the Home and Community Based Services (HCBS) rules implementation committee to help guide and facilitate systems change.

VR is currently partnering with multiple technical assistance centers, DDD, AHCCCS, ADE, and DCS to develop and implement a Customized Employment (CE) pilot project regarding the identification of best practices for CE in rural communities. Pilot is estimated to begin in January 2020.

p. Evaluation and Reports of Progress: VR and Supported Employment Goals

Describe:

1. An evaluation of the extent to which the VR program goals described in the approved VR services portion of the Unified or Combined State Plan for the most recently completed program year were achieved. The evaluation must:

A. Identify the strategies that contributed to the achievement of the goals

Goal 1: Rehabilitation Services staff will be valued as accountable professionals

Objective 1.1: Provide ten professional development opportunities to staff.

- Outcome: Achieved
 - Strategies for achievement: Intensive Technical Assistance agreement with WINTAC; improved relationships and increased collaboration with internal policy unit and external sources such as the State Attorney General's office resulted in workshops for staff on topics such as IPE development and Appeals; maintenance of ISA with University of Arizona for the provision of graduate level coursework.

- Activities: Presented general information on WIOA, performance measures, and data entry across the state, utilized outside and professional sources for professional development opportunities, and continued to collaborate with University of Arizona to provide access to graduate level coursework for counseling staff.

Objective 1.2: Increase staff recognition opportunities.

- Outcome: Achieved. Implementation of tiered scorecards and detailed monthly reports provided opportunities to recognize staff for meeting or exceeding expectations. Utilized Department of Economic Security platforms to recognize team members for contribution to larger Departmental activities and send social eCards to staff.
 - Strategies for achievement: DES implemented a statewide employee recognition program that allows individuals to send thank you notes and birthday or anniversary cards, nominate individuals for employee of the month, and nominate teams/offices for team awards. VR has also started recognizing individual employees and local offices for meeting eligibility and IPE timelines as well as for achieving high job placements.

Goal 2: Rehabilitation Services will deliver high quality services to persons with disabilities.

Objective 2.1: Increase the percentage of clients who have eligibility and Order of Selection determined within 60 calendar days from application to 95 percent.

- Outcome: Achieved. Eligibility determinations were made within 37.5 days on average and average eligibility compliance was 95 percent in PY 2018.
 - Strategies for Achievement: Standard work for referral, orientation and intake, changed marketing for program (helped clients understand program expectations), monitoring tools for staff, added achievement of timelines to VRC expectations (Managing Accountability and Performance (MAP)), weekly metrics to monitor timelines.

Objective 2.2: Increase the percentage of clients who have IPE's developed and implemented within 90 calendar days from eligibility determination to 90 percent.

- Outcome: Partially achieved. Implemented weekly auditing and reporting procedures and developed tiered metric scorecards to monitor and track compliance. Individualized Plans for Employment were implemented within 73.4 days from the date of eligibility determination on average. Average IPE implementation compliance was 88.7 percent in PY 2018.
 - Strategies: Training on IPE timelines, metrics, etc.

Objective 2.3: Increase the number of job placements by five percent over the previous year.

- Outcome: Achieved. Increased job placements by 10.6 percent in PY 2018.
 - Strategies: Same, identifying office goal for # of placements, rewarding/celebrating success

Objective 2.4: Increase the number of pre-employment transition services provided to potentially eligible students by ten percent.

- Outcome: Achieved. Increased ability to serve and capture the number of potentially eligible students with disabilities engaged in Pre-Employment Transition Services from 0 to 113 during PY 2018.
 - Strategies: Implemented contract, marketing, training staff,

Objective 2.5: Increase the number of supported employment plans by five percent.

- Outcome: Not Achieved. Developed internal processes for accepting referrals and increasing coordination with Division of Developmental Disabilities (DDD). VR and DDD have committed to expanding dedicated personnel to serve the targeted population.
 - Strategies: Increased collaboration with DDD and increased focus on ability to provide supported employment services for 24 months.

Goal 3: Rehabilitation Services will be a leader and respected partner in the community.

Objective 3.1: Lead and/or collaborate with partners to provide five awareness and outreach events to underserved geographic areas and target populations.

- Outcome: Achieved. VR personnel participated in outreach opportunities at tribal events, behavioral health clinics, public and charter schools, and disability specific support groups.
 - Strategies for achievement: Specialty Coordinators within VR (Transition, Behavioral Health) coordinated with local behavioral health clinics and schools to provide outreach/awareness events targeted toward individuals with general mental health concerns (non SMI) and transition age youth.

Objective 3.2: Lead and/or collaborate with partners to provide information sessions to employers and community partners on VR services.

- Outcome: Achieved. AZRSA staff participated as planning committee members and presenters at statewide conferences such as the annual Transition Conference and annual Evidence Based Practice conference. AZRSA staff, in conjunction with, Business Services Representatives coordinated Disability and Rehabilitation Employment Awareness Month job fairs and workshops.
 - Strategies for achievement: Specialty Coordinators within VR (Transition, Behavioral Health, Assistive Technology) as well as Business Services Representatives held or coordinated events such as Transition and Assistive Technology conferences and job fairs, with local area representatives to provide information on VR services.

B. Describe the factors that impeded the achievement of the goals and priorities

IPEs were not always developed within the 90 calendar day time frame. Possible factors that impeded success include staff challenges obtaining client signature on extension form and staff challenges with tracking time frames and sending extension forms or closure letters prior to the 90th day.

The number of Supported Employment IPEs did not increase as expected. Possible factors that impeded success include lack of staff understanding on when to use a Supported Employment plan type, partner agency staff (such as DDD) may not understand when/how to refer an individual with the most significant disability to VR.

2. An evaluation of the extent to which the Supported Employment program goals described in the Supported Employment Supplement for the most recent program year were achieved. The evaluation must:

A. Identify the strategies that contributed to the achievement of the goals

- Engaged CRPs to assist in identifying employers who are willing to customize employment for individuals with disabilities.

- Continued collaboration with DDD and AHCCCS to effectively serve individuals with supported employment needs.
- Increased employer engagement activities through Employer Coordinators and connection with workforce development system.

B. Describe the factors that impeded the achievement of the goals and priorities

- Lack of active and local Employment Networks in Arizona.
- Lack of Employment Networks that can assist individuals who are not making Substantial Gainful Activity.

3. The VR program's performance on the performance accountability indicators under section 116 of WIOA

VR continues to engage in conversations with core partners and System 7, Libera case management system developers to develop effective and accurate data management processes which allow VR to report performance on the common performance measures as prescribed in WIOA.

A data sharing agreement has been executed allowing core partners to share aggregate information. ACA/OEO is in process of developing a web-based tool which will compile information obtained from the core programs and allow workforce development staff from all programs to access the data. The data can be used to develop strategies, identify trends, and inform job seekers and employers of opportunities which exist across the state for employment.

The VR Program continues to collect data in the following areas in order to establish baseline data for the performance indicators under section 116 of WIOA:

- Employment in the 2nd quarter
- Employment in the 4th quarter
- Median Earnings
- Credential Attainment
- Measurable Skill Gains
- Effectiveness in Serving Employers

4. How the funds reserved for innovation and expansion (I&E) activities were utilized

Innovation and Expansion funds were provided to the Statewide Independent Living Council (SILC) to assist in the provision of allowable activities under the State Plan for Independent Living.

AZRSA provides the Arizona State Independent Living Council with \$266,000.00 annually to support the development of the Resource Plan and implementing activities.

AZRSA provides a full time Council Liaison position to support the activities conducted by the State Rehabilitation Council.

q. Quality, Scope, and Extent of Supported Employment Services

Include the following:

1. The quality, scope, and extent of supported employment services to be provided to individuals with the most significant disabilities, including youth with the most significant disabilities

VR provides Supported Employment Services (SE) to eligible clients with the most significant disabilities. SE services are authorized by VR staff to be provided by CRPs. CRPs are awarded competitive contracts based on their response to the Request for Proposal. Upon contract award, CRPs receive training from contract and policy staff about the scope of services required. VR staff authorize services to be provided by vendors. A client service plan is developed with the VR staff, the client, and guardian if necessary, and the vendor in order to ensure appropriate service provision. Vendors are required to report activity to VR staff on a monthly basis. VR staff are responsible to review the monthly activity and approve the service costs or request a meeting to revise the client service plan goals and objectives. VR utilizes a contract monitoring unit who conduct annual desk and site audits in order to ensure compliance with contract requirements.

A. Quality

VR provides Supported Employment Services (SE) to eligible clients with the most significant disabilities. SE services are authorized by VR staff to be provided by CRPs. CRPs are awarded competitive contracts based on their response to the Request for Proposal. Upon contract award, CRPs receive training from contract and policy staff about the scope of services required. VR staff authorize services to be provided by vendors. A client service plan is developed with the VR staff, the client, and guardian if necessary, and the vendor in order to ensure appropriate service provision. Vendors are required to report activity to VR staff on a monthly basis. VR staff are responsible to review the monthly activity and approve the service costs or request a meeting to revise the client service plan goals and objectives. VR utilizes a contract monitoring unit who conduct annual desk and site audits in order to ensure compliance with contract requirements.

B. Scope

Arizona utilizes a consistent process of eligibility and Order of Selection determination for all clients. An individual with the most significant disabilities who has the skills and abilities to work in an integrated, competitive workplace and needs intensive VR service in order to obtain and maintain employment is considered an individual that needs Supported Employment services. Individuals who are determined to need SE services have access to the full scope of VR services. Clients and staff will work to identify a financial or natural resource to provide ongoing support services as needed once VR services have concluded.

Financial resources include long term supports provided by the DDD or AHCCCS. Additional sources such as a Plan to Achieve Self-Sufficiency (PASS) or Impairment Work Related Expense (IRWE) plan is available to individuals who receive Social Security award monies. Arizona holds agreements with five Employment Networks who may support individuals in employment after case closure from VR. Through collaboration with the Councils of Governments (COGs), Social Security Block Grant dollars are also utilized to provide extended support services after closure from VR. Natural supports in an employment setting can be developed while the client is receiving VR supported services. VR staff may also provide training to managers, supervisors, and coworkers in order to develop natural supports within the competitive and integrated employment setting.

C. Extent

VR recognizes Supported Employment as a viable employment option as long as the employment outcome meets the criteria of providing competitive wages in an integrated setting. Supported Employment services may be provided by VR for up to 24 months or longer if determined appropriate.

2. The timing of transition to extended services

During IPE development, VR works with a client to assess the need for Supported Employment and extended services (commonly referred to in Arizona VR as extended supported employment services or ESE). If Supported Employment and extended services are determined to be necessary, VR and the client explore potential sources of extended services which may include alternative funding sources such as AHCCCS/DDD and natural supports. Once the client obtains employment, Supported Employment services are provided for up to 24 months (or longer if necessary and an exception is approved) to assist the client in achieving stable employment prior to transitioning to extended supported employment services. During the provision of supported employment services, the client is provided with job training, coaching, observation, and/or follow-up services to reinforce and stabilize the employment through on-worksite monitoring or off-site meetings between the client and VR staff or vendor. The client is considered stable in their employment when a reduction in support services has occurred and a continuing level of support has been identified and the client has achieved the highest level of independence on the job, as determined by the client, job coach, and Staff.

Once a client is determined to be stable in their employment, a meeting is held with the client, staff, and extended service provider. If all parties are in agreement that the client is stable and can be transitioned to extended services, responsibility for the funding for job coaching and extended services are transitioned to the extended service provider. If the client is a youth with a disability and no other source of extended services is available, VR will provide extended services for up to 4 years or until the youth reaches the age of 25, whichever happens first. If the client is transitioned to non-VR funded extended services, VR staff monitor the client's progress and job stability over the next 90 days. At the conclusion of the 90-day period, if the client remains stable in the job and the team agrees, the case will be closed as meeting an employment outcome.

Vocational Rehabilitation (Combined or General) Certifications

States must provide written and signed certifications that:

1. The (enter the name of designated State agency or designated State unit, as appropriate,) is authorized to submit the VR services portion of the Unified or Combined State Plan under title I of the Rehabilitation Act of 1973 (Rehabilitation Act), as amended by WIOA[14], and its supplement under title VI of the Rehabilitation Act[15];

Enter the name of designated State agency or designated State unit, as appropriate

Arizona Rehabilitation Services Administration (DSU)

2. As a condition for the receipt of Federal funds under title I of the Rehabilitation Act for the provision of VR services, the (enter the name of designated State agency)[16] agrees to operate and administer the State VR Services Program in accordance with the VR services portion of the Unified or Combined State Plan[17], the Rehabilitation Act, and all

applicable regulations[18] , policies, and procedures established by the Secretary of Education. Funds made available under section 111 of the Rehabilitation Act are used solely for the provision of VR services and the administration of the VR services portion of the Unified or Combined State Plan;

Enter the name of designated State agency

Division of Employment and Rehabilitation Services (DERS)

3. As a condition for the receipt of Federal funds under title VI of the Rehabilitation Act for supported employment services, the designated State agency agrees to operate and administer the State Supported Employment Services Program in accordance with the supplement to the VR services portion of the Unified or Combined State Plan[19] , the Rehabilitation Act, and all applicable regulations[20] , policies, and procedures established by the Secretary of Education. Funds made available under title VI are used solely for the provision of supported employment services and the administration of the supplement to the VR services portion of the Unified or Combined State Plan;

4. The designated State agency and/or the designated State unit has the authority under State law to perform the functions of the State regarding the VR services portion of the Unified or Combined State Plan and its supplement;

5. The State legally may carry out each provision of the VR services portion of the Unified or Combined State Plan and its supplement.

6. All provisions of the VR services portion of the Unified or Combined State Plan and its supplement are consistent with State law.

7. The (enter the name of authorized representative below) has the authority under State law to receive, hold, and disburse

Federal funds made available under the VR services portion of the Unified or Combined State Plan and its supplement;

Enter the name of authorized representative below

Kristen Mackey

8. The (enter the title of authorized representative below) has the authority to submit the VR services portion of the Unified or Combined State Plan and the supplement for Supported Employment services;

Enter the title of authorized representative below

Administrator for Arizona RSA

9. The agency that submits the VR services portion of the Unified or Combined State Plan and its supplement has adopted or otherwise formally approved the plan and its supplement.

Footnotes

[14] Public Law 113-128.

[15] Unless otherwise stated, "Rehabilitation Act" means the Rehabilitation Act of 1973, as amended by WIOA, signed into law on July 22, 2014.

[16] All references in this plan to "designated State agency" or to "the State agency" relate to the agency identified in this paragraph.

[17] No funds under title I of the Rehabilitation Act may be awarded without an approved VR services portion of the Unified or Combined State Plan in accordance with section 101(a) of the Rehabilitation Act.

[18] Applicable regulations, in part, include the Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 76, 77, 79, 81, and 82; 2 CFR part 200 as adopted by 2 CFR part 3474; and the State VR Services program regulations.

[19] No funds under title VI of the Rehabilitation Act may be awarded without an approved supported employment supplement to the VR services portion of the Unified or Combined State Plan in accordance with section 606(a) of the Rehabilitation Act.

[20] Applicable regulations, in part, include the citations in footnote 6.

Certification Signature

| Signatory information | Enter Signatory information in this column |
|-----------------------|--|
| Name of Signatory | Kristen Mackey |
| Title of Signatory | Administrator |
| Date Signed | 3/31/2020 |

Assurances

The designated State agency or designated State unit, as appropriate and identified in the State certifications included with this VR services portion of the Unified or Combined State Plan and its supplement, through signature of the authorized individual, assures the Commissioner of the Rehabilitation Services Administration (RSA), that it will comply with all of the requirements of the VR services portion of the Unified or Combined State Plan and its supplement, as set forth in sections 101(a) and 606 of the Rehabilitation Act. The individual authorized to submit the VR services portion of the Unified or Combined State Plan and its supplement makes the following assurances: **The State Plan must provide assurances that:**

| The State Plan must include | Include |
|--|---------|
| 1. Public Comment on Policies and Procedures: The designated State agency assures it will comply with all statutory and regulatory requirements for public participation in the VR Services Portion of the Unified or Combined State Plan, as required by section 101(a)(16)(A) of the Rehabilitation Act. | |
| 2. Submission of the VR services portion of the Unified or Combined State Plan and Its Supplement: The designated State unit assures it will comply with all requirements pertaining to the submission and revisions of the VR services portion of the Unified or Combined State Plan and its supplement for the State Supported Employment Services program, as required by sections 101(a)(1), (22), (23), and 606(a) of the Rehabilitation Act; section 102 of WIOA in the case of the submission of a unified plan; section 103 of WIOA in the case of a submission of a Combined State Plan; 34 CFR 76.140. | |
| 3. The designated State agency or designated State unit, as appropriate, assures it will comply with the requirements related to: Administration of the VR services portion of the Unified or Combined State Plan: | |
| 3.a. The establishment of the designated State agency and designated State unit, as required by section 101(a)(2) of the Rehabilitation Act | |
| 3.b. The establishment of either a State independent commission or State Rehabilitation Council, as required by section 101(a)(21) of the Rehabilitation Act. The designated State agency or designated State unit, as applicable (A or B must be selected): | |
| 3.b.(A) "is an independent State commission" (Yes/No) | No |
| 3.b.(B) "has established a State Rehabilitation Council" (Yes/No) | Yes |
| 3.c. Consultations regarding the administration of the VR services portion of the Unified or Combined State Plan, in accordance with section 101(a)(16)(B) of the Rehabilitation Act | |
| 3.d. The financial participation by the State, or if the State so elects, by the State and local agencies, to provide the amount of the non-Federal share of the cost of carrying out the VR program in accordance with section 101(a)(3) | |
| 3.e. The local administration of the VR services portion of the Unified or Combined State Plan, in accordance with section 101(a)(2)(A) of the Rehabilitation Act. Select yes or no, as appropriate, to identify if the designated State agency allows for the local administration of VR funds (Yes/No) | No |
| 3.f. The shared funding and administration of joint programs, in accordance with section 101(a)(2)(A)(ii) of the Rehabilitation Act. Select yes or no, as appropriate, to identify if the designated State agency allows for the shared funding and administration of joint programs (Yes/No) | No |

| The State Plan must include | Include |
|---|---------|
| 3.g. Statewideness and waivers of statewideness requirements, as set forth in section 101(a)(4) of the Rehabilitation Act. Is the designated State agency requesting or maintaining a waiver of statewideness for one or more services provided under the VR services portion of the Unified or Combined State Plan? (Yes/No) See Section 2 of this VR services portion of the Unified or Combined State Plan | Yes |
| 3.h. The descriptions for cooperation, collaboration, and coordination, as required by sections 101(a)(11) and (24)(B); and 606(b) of the Rehabilitation Act | |
| 3.i. All required methods of administration, as required by section 101(a)(6) of the Rehabilitation Act | |
| 3.j. The requirements for the comprehensive system of personnel development, as set forth in section 101(a)(7) of the Rehabilitation Act | |
| 3.k. The compilation and submission to the Commissioner of statewide assessments, estimates, State goals and priorities, strategies, and progress reports, as appropriate, and as required by sections 101(a)(15), 105(c)(2), and 606(b)(8) of the Rehabilitation Act | |
| 3.l. The reservation and use of a portion of the funds allotted to the State under section 110 of the Rehabilitation Act for the development and implementation of innovative approaches to expand and improve the provision of VR services to individuals with disabilities, particularly individuals with the most significant disabilities | |
| 3.m. The submission of reports as required by section 101(a)(10) of the Rehabilitation Act | |
| 4. Administration of the Provision of VR Services: The designated State agency, or designated State unit, as appropriate, assures that it will: | |
| 4.a. Comply with all requirements regarding information and referral services in accordance with sections 101(a)(5)(D) and (20) of the Rehabilitation Act | |
| 4.b. Impose no duration of residence requirement as part of determining an individual's eligibility for VR services or that excludes from services under the plan any individual who is present in the State in accordance with section 101(a)(12) of the Rehabilitation Act | |
| 4.c. Provide the full range of services listed in section 103(a) of the Rehabilitation Act as appropriate, to all eligible individuals with disabilities in the State who apply for services in accordance with section 101(a)(5) of the Rehabilitation Act? (Yes/No) | No |
| 4.d. Determine whether comparable services and benefits are available to the individual in accordance with section 101(a)(8) of the Rehabilitation Act | |
| 4.e. Comply with requirements regarding the provisions of informed choice for all applicants and eligible individuals in accordance with section 102(d) of the Rehabilitation Act | |
| 4.f. Comply with requirements regarding the provisions of informed choice for all applicants and eligible individuals in accordance with section 102(d) of the Rehabilitation Act | |
| 4.g. Provide vocational rehabilitation services to American Indians who are individuals with disabilities residing in the State, in accordance with section 101(a)(13) of the Rehabilitation Act | |
| 4.h. Comply with the requirements for the conduct of semiannual or annual reviews, as appropriate, for individuals employed either in an extended employment setting in a community rehabilitation program or any other employment under section 14(c) of the Fair Labor Standards Act of 1938, as required by section 101(a)(14) of the Rehabilitation Act | |

| The State Plan must include | Include |
|---|---------|
| 4.i. Meet the requirements in sections 101(a)(17) and 103(b)(2) of the Rehabilitation Act if the State elects to construct, under special circumstances, facilities for community rehabilitation programs | |
| 4.j. With respect to students with disabilities, the State, | |
| 4.j.i. Has developed and will implement, | |
| 4.j.i.i. Strategies to address the needs identified in the assessments; and | |
| 4.j.i.ii. Strategies to achieve the goals and priorities identified by the State, to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis; and | |
| 4.j.ii. Has developed and will implement strategies to provide pre-employment transition services (sections 101(a)(15) and 101(a)(25)) | |
| 5. Program Administration for the Supported Employment Title VI Supplement: | |
| 5.a. The designated State unit assures that it will include in the VR services portion of the Unified or Combined State Plan all information required by section 606 of the Rehabilitation Act | |
| 5.b. The designated State agency assures that it will submit reports in such form and in accordance with such procedures as the Commissioner may require and collects the information required by section 101(a)(10) of the Rehabilitation Act separately for individuals receiving supported employment services under title I and individuals receiving supported employment services under title VI of the Rehabilitation Act | |
| 5.c. The designated state unit will coordinate activities with any other State agency that is functioning as an employment network under the Ticket to Work and Self-Sufficiency program under Section 1148 of the Social Security Act | |
| 6. Financial Administration of the Supported Employment Program: | |
| 6.a. The designated State agency assures that it will expend no more than 2.5 percent of the State's allotment under title VI for administrative costs of carrying out this program; and, the designated State agency or agencies will provide, directly or indirectly through public or private entities, non-Federal contributions in an amount that is not less than 10 percent of the costs of carrying out supported employment services provided to youth with the most significant disabilities with the funds reserved for such purpose under section 603(d) of the Rehabilitation Act, in accordance with section 606(b)(7)(G) and (H) of the Rehabilitation Act | |
| 6.b. The designated State agency assures that it will use funds made available under title VI of the Rehabilitation Act only to provide supported employment services to individuals with the most significant disabilities, including extended services to youth with the most significant disabilities, who are eligible to receive such services; and, that such funds are used only to supplement and not supplant the funds provided under Title I of the Rehabilitation Act, when providing supported employment services specified in the individualized plan for employment, in accordance with section 606(b)(7)(A) and (D), of the Rehabilitation Act | |
| 7. Provision of Supported Employment Services: | Yes |
| 7.a. The Designated State Agency Assures That it Will Provide Supported Employment Services as Defined in Section 7(39) of the Rehabilitation Act | |
| 7.b. The designated State agency assures that: | |
| 7.b.i. The comprehensive assessment of individuals with significant disabilities conducted under section 102(b)(1) of the Rehabilitation Act and funded under title I of the Rehabilitation | |

| | |
|---|---------|
| The State Plan must include | Include |
| Act includes consideration of supported employment as an appropriate employment outcome, in accordance with the requirements of section 606(b)(7)(B) of the Rehabilitation Act | |
| 7.b.ii. An individualized plan for employment that meets the requirements of section 102(b) of the Rehabilitation Act, which is developed and updated with title I funds, in accordance with sections 102(b)(3)(F) and 606(b)(6)(C) and (E) of the Rehabilitation Act | |

Vocational Rehabilitation Program Performance Indicators

Performance Goals for the Core Programs

Each state submitting a Unified or Combined State Plan is required to identify expected levels of performance for each of the primary indicators of performance for the first two years covered by the plan. The state is required to reach agreement with the Secretary of Labor, in conjunction with the Secretary of Education, on state-negotiated levels of performance for the indicators for each of the first two years of the plan.

For Program Year (PY) 2016-2019 plans, the Departments used the transition authority under section 503(a) of WIOA to designate certain primary indicators of performance as “baseline” indicators to ensure an orderly transition from the requirements of the Workforce Investment Act of 1998 to those under WIOA. A “baseline” indicator was one for which states did not propose an expected level of performance and did not come to agreement with the Departments on negotiated levels of performance because sufficient data was not available to establish such performance levels. As a result, “baseline” indicators were not used in the end of the year adjustment of performance levels and were not used to determine failure to meet adjusted levels of performance for purposes of sanctions. The Departments designated indicators as “baseline” based on the likelihood of a State having insufficient data with which to make a reasonable determination of an expected level of performance.

For PYs 2020-2023 Plans, Title I programs (Adult, Dislocated Worker, and Youth) and the Title II program (Adult Education and Family Literacy Act) will have two full years of data available to make reasonable determinations of expected levels of performance for the following indicators for PY 2020 and PY 2021:

- Employment (Second Quarter after Exit);
- Employment (Fourth Quarter after Exit);
- Median Earnings (Second Quarter after Exit);
- Credential Attainment Rate; and
- Measurable Skill Gains

The Wagner-Peyser Act Employment Service program, authorized under the Wagner-Peyser Act, as amended by title III of WIOA, will have two full years of data available to make a reasonable determination of expected levels of performance for the following indicators for PY 2020 and PY 2021:

- Employment (Second Quarter after Exit);
- Employment (Fourth Quarter after Exit); and
- Median Earnings (Second Quarter after Exit)

The Credential Attainment Rate and Measurable Skill Gains indicators do not apply to the Wagner-Peyser Act Employment Service program; therefore, this program will not submit expected levels of performance for these indicators.

For the first two years of PYs 2020-2023 Plans, the Vocational Rehabilitation (VR) program, authorized under title I of the Rehabilitation Act of 1973, as amended by title IV of WIOA, will have two full years of data available for the Measurable Skill Gains indicator only. Therefore, the Departments will designate the following indicators as “baseline” for the VR program for PY 2020 and PY 2021:

- Employment (Second Quarter after Exit);
- Employment (Fourth Quarter after Exit);
- Median Earnings (Second Quarter after Exit); and
- Credential Attainment Rate

VR agencies must continue to collect and report on all indicators, including those that have been designated as “baseline, pursuant to section 116(d) of WIOA.” The actual performance data reported by these programs for indicators designated as “baseline” for PY 2020 and PY 2021 will serve as baseline data in future years. The Departments will require VR agencies to submit expected levels of performance for these indicators for PY 2022 and PY 2023.

The Departments determined that the Effectiveness in Serving Employers indicator will be measured as a shared outcome across all six core programs within each state to ensure a holistic approach to serving employers. The Departments will continue piloting approaches for measuring this indicator for the first two years of PY 2020-2023 plans. Therefore, states are not required to submit an expected level of performance for the Effectiveness in Serving Employers indicator for PY 2020 and PY 2021. However, core programs are expected to collect data and report on this indicator for PY 2020 and PY 2021 as they did for PYs 2016-2019 plans.

Each core program must submit an expected level of performance for all of the other indicators, as applicable, with the exception of the four indicators designated as “baseline” for the VR program in PY 2020 and PY 2021. The Departments will work with states during the negotiation process to establish negotiated levels of performance for each of the primary indicators for the core programs not listed as “baseline.” Each state must update its plan to include the agreed-upon negotiated levels of performance before the Departments approve a state’s plan.

States may identify additional indicators in the plan, including additional approaches to measuring Effectiveness in Serving Employers, and may establish levels of performance for each of the state indicators. Please identify any such state indicators under Additional Indicators of Performance.

| Performance Indicators | PY 2020 Negotiated Level | PY 2021 Negotiated Level |
|---|-----------------------------|-----------------------------|
| Employment (Second Quarter After Exit) | Baseline | Baseline |
| Employment (Fourth Quarter After Exit) | Baseline | Baseline |
| Median Earnings (Second Quarter After Exit) | Baseline | Baseline |
| Credential Attainment Rate | Baseline | Baseline |
| Measurable Skill Gains | 20.0% | 22.0% |
| Effectiveness in Serving Employers | Not Applicable ¹ | Not Applicable ¹ |

1

“Effectiveness in Serving Employers” is still being piloted and this data will not be entered for 2020 State Plans.

VII. Program-Specific Requirements for Combined State Plan Partner Programs

States choosing to submit a Combined State Plan must provide information concerning the six core programs—the Adult program, Dislocated Worker program, Youth program, Wagner-Peyser Act program, Adult Education and Family Literacy Act program, and the Vocational Rehabilitation program—and also submit relevant information for any of the eleven partner programs it elects to include in its Combined State Plan. When a State includes a Combined State Plan partner program in its Combined State Plan, it need not submit a separate plan or application for that particular program. 24 If included, Combined State Plan partner programs are subject to the “common planning elements” in Sections II-IV of this document, where specified, as well as the program-specific requirements for that program.

[24] States that elect to include employment and training activities carried out under the Community Services Block Grant (CSBG) Act (42 U.S.C. 9901 et seq.) under a Combined State Plan would submit all other required elements of a complete CSBG State Plan directly to the Federal agency that administers the program. Similarly, States that elect to include employment and training activities carried by the Department of Housing and Urban Development would submit all other required elements of a complete State Plan for those programs directly to the Federal agency that administers the program.

Performance Indicator Appendix

All WIOA Core Programs

The Departments determined that the Effectiveness in Serving Employers indicator will be measured as a shared outcome across all six core programs within each state to ensure a holistic approach to serving employers. The Departments will continue piloting approaches for measuring this indicator for the first two years of PY 2020-2023 plans. Therefore, states are not required to submit an expected level of performance for the Effectiveness in Serving Employers indicator for PY 2020 and PY 2021. However, core programs are expected to collect data and report on this indicator for PY 2020 and PY 2021 as they did for PYs 2016-2019 plans.

All WIOA Core Programs

| Performance Indicators | PY 2020 | PY 2021 |
|------------------------------------|-----------------------------|-----------------------------|
| | Negotiated Level | Negotiated Level |
| Effectiveness in Serving Employers | Not Applicable ¹ | Not Applicable ¹ |

¹ “Effectiveness in Serving Employers” is still being piloted and this data will not be entered for 2020 State Plans.

Additional Indicators of Performance

States may identify additional indicators in the plan, including additional approaches to measuring Effectiveness in Serving Employers, and may establish levels of performance for each of the state indicators. Please identify any such state indicators under Additional Indicators of Performance.

| Additional Indicators of Performance |
|---|
| 1. Average number of days to fill job openings using ARIZONA@WORK staff assistance |
| 2. Percentage of employers who contacted an ARIZONA@WORK Job Center to confirm ARIZONA@WORK services assisted in identifying qualified job applications |
| 3. Number of businesses whose worksites were visited by an ARIZONA@WORK Business Services Representative |
| |
| |

Other Appendices

Appendix 2: In-Demand Occupations

Arizona used a rating model of all the occupations by education level within the identified In-Demand Industries. This means that occupations requiring the same level of education were compared based on labor market data including employment share, employment growth, and wages. A working group of ARIZONA@WORK LWDB members and State Council members worked together to identify 3-5-star occupations as generally better opportunities for individuals than 1-2-star occupations within the same industries. This equated to be the top 60 percent of occupations within the In-Demand Industries by education level.

| SOC Code | SOC Title | Estimated Occupation Emp. (2018) | Average Occ Annual Wages (2018) | Annualized Projected Emp. Pct Chg (2018-2020) | Minimum Education Level | NAICS Code | Industry ³ |
|----------|---|----------------------------------|---------------------------------|---|-------------------------|------------|----------------------------------|
| 29-2032 | Diagnostic Medical Sonographers | 2,026 | \$83,317 | 9.0% | Associate's degree | 62 | Healthcare and social assistance |
| 17-3029 | Engineering Technicians, Except Drafters, All Other | 2,298 | \$59,207 | 7.2% | Associate's degree | 31 | Manufacturing |
| 29-2034 | Radiologic Technologists | 3,861 | \$65,218 | 6.6% | Associate's degree | 62 | Healthcare and social assistance |
| 29-1111 | Registered Nurses | 59,136 | \$77,001 | 7.2% | Associate's degree | 62 | Healthcare and social assistance |
| 29-1126 | Respiratory Therapists | 2,399 | \$58,417 | 9.3% | Associate's degree | 62 | Healthcare and social assistance |

³ In-Demand Occupations can potentially have multiple related NAICS Industries

| | | | | | | | |
|---------|--|--------|-----------|-------|--------------------------|----|-------------------------------------|
| 17-2051 | Civil Engineers | 5,200 | \$84,770 | 8.7% | Bachelor's degree | 23 | Construction |
| 15-1121 | Computer Systems Analysts | 13,680 | \$88,972 | 6.3% | Bachelor's degree | 52 | Finance and insurance |
| 13-1051 | Cost Estimators | 4,922 | \$66,412 | 11.5% | Bachelor's degree | 23 | Construction |
| 17-2112 | Industrial Engineers | 4,270 | \$95,943 | 9.5% | Bachelor's degree | 31 | Manufacturing |
| 13-1111 | Management Analysts | 12,816 | \$85,886 | 6.6% | Bachelor's degree | 52 | Finance and insurance |
| 13-1160 | Market Research Analysts and Marketing Specialists | 10,360 | \$62,925 | 9.1% | Bachelor's degree | 52 | Finance and insurance |
| 17-2140 | Mechanical Engineers | 4,514 | \$98,389 | 9.3% | Bachelor's degree | 31 | Manufacturing |
| 15-1132 | Software Developers, Applications | 13,460 | \$98,672 | 11.3% | Bachelor's degree | 52 | Finance and insurance |
| 29-1021 | Dentists, General | 3,254 | \$186,869 | 7.0% | Doctoral or prof. degree | 62 | Health care and social assistance |
| 23-1011 | Lawyers | 12,312 | \$145,746 | 6.4% | Doctoral or prof. degree | 54 | Professional and technical services |
| 29-1123 | Physical Therapists | 3,970 | \$88,798 | 8.8% | Doctoral or prof. degree | 62 | Health care and social assistance |
| 49-3023 | Automotive Service Technicians and Mechanics | 17,084 | \$44,360 | 5.4% | High school diploma | 52 | Finance and insurance |
| 13-1199 | Business Operations Specialists, All Other | 14,202 | \$67,667 | 5.0% | High school diploma | 52 | Finance and insurance |
| 47-2030 | Carpenters | 17,737 | \$43,461 | 9.8% | High school diploma | 23 | Construction |
| 47-2111 | Electricians | 12,478 | \$47,947 | 9.0% | High school diploma | 23 | Construction |
| 53-3033 | Light Truck or Delivery Services Drivers | 16,470 | \$39,144 | 8.0% | High school diploma | 23 | Construction |
| 51-4040 | Machinists | 9,299 | \$48,300 | 8.8% | High school diploma | 31 | Manufacturing |

| | | | | | | | |
|---------|--|--------|----------|-------|-----------------------|----|-----------------------------------|
| 49-9070 | Maintenance and Repair Workers, General | 27,006 | \$37,706 | 5.9% | High school diploma | 23 | Construction |
| 49-3042 | Mobile Heavy Equipment Mechanics, Except Engines | 4,492 | \$52,668 | 6.2% | High school diploma | 23 | Construction |
| 47-2152 | Plumbers, Pipefitters, and Steamfitters | 9,227 | \$48,950 | 9.9% | High school diploma | 23 | Construction |
| 41-9022 | Real Estate Sales Agents | 7,168 | \$66,358 | 6.0% | High school diploma | 23 | Construction |
| 41-3099 | Sales Representatives, Services, All Other | 20,562 | \$54,518 | 6.5% | High school diploma | 23 | Construction |
| 41-4012 | Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products | 20,181 | \$63,553 | 6.7% | High school diploma | 23 | Construction |
| 47-2220 | Structural Iron and Steel Workers | 1,777 | \$47,927 | 11.7% | High school diploma | 23 | Construction |
| 47-2051 | Cement Masons and Concrete Finishers | 6,801 | \$41,746 | 11.7% | Less than high school | 23 | Construction |
| 47-2060 | Construction Laborers | 25,196 | \$36,000 | 8.9% | Less than high school | 23 | Construction |
| 47-2081 | Drywall and Ceiling Tile Installers | 5,055 | \$41,832 | 8.6% | Less than high school | 23 | Construction |
| 31-1011 | Home Health Aides | 17,290 | \$25,466 | 12.2% | Less than high school | 62 | Health care and social assistance |
| 53-7050 | Industrial Truck and Tractor Operators | 11,132 | \$35,906 | 13.2% | Less than high school | 31 | Manufacturing |
| 53-7062 | Laborers and Freight, Stock, and Material Movers, Hand | 40,058 | \$31,463 | 8.9% | Less than high school | 31 | Manufacturing |
| 47-2141 | Painters, Construction and Maintenance | 8,064 | \$37,993 | 8.7% | Less than high school | 23 | Construction |
| 47-2160 | Plasterers and Stucco Masons | 2,154 | \$43,411 | 9.0% | Less than high school | 23 | Construction |

| | | | | | | | |
|---------|---|--------|-----------|-------|--------------------------|----|-----------------------------------|
| 47-2180 | Roofers | 4,295 | \$38,391 | 9.8% | Less than high school | 23 | Construction |
| 35-3031 | Waiters and Waitresses | 54,068 | \$30,217 | 5.5% | Less than high school | 62 | Health care and social assistance |
| 29-1170 | Nurse Practitioners | 3,296 | \$110,751 | 10.5% | Master's degree | 62 | Health care and social assistance |
| 29-1071 | Physician Assistants | 2,446 | \$101,591 | 10.7% | Master's degree | 62 | Health care and social assistance |
| 49-9020 | Heating, Air Conditioning, and Refrigeration Mechanics and Installers | 8,902 | \$46,042 | 11.3% | Postsecondary non-degree | 23 | Construction |
| 53-3032 | Heavy and Tractor-Trailer Truck Drivers | 26,794 | \$45,429 | 5.9% | Postsecondary non-degree | 23 | Construction |
| 15-1151 | Computer User Support Specialists | 14,879 | \$52,087 | 6.4% | Some college, no degree | 52 | Finance and insurance |
| 17-3021 | Aerospace Engineering and Operations Technicians | 588 | \$71,505 | 9.0% | Associate's degree | 31 | Manufacturing |
| 29-2021 | Dental Hygienists | 3,059 | \$85,887 | 6.9% | Associate's degree | 62 | Health care and social assistance |
| 17-3026 | Industrial Engineering Technicians | 2,163 | \$63,515 | 6.3% | Associate's degree | 31 | Manufacturing |
| 15-1134 | Web Developers | 3,314 | \$70,447 | 7.8% | Associate's degree | 59 | Information Technology |
| 13-2011 | Accountants and Auditors | 21,532 | \$69,185 | 6.9% | Bachelor's degree | 23 | Construction |
| 17-2071 | Electrical Engineers | 4,711 | \$106,257 | 6.7% | Bachelor's degree | 31 | Manufacturing |
| 17-2072 | Electronics Engineers, Except Computer | 5,728 | \$103,512 | 6.4% | Bachelor's degree | 59 | Information Technology |
| 17-2199 | Engineers, All Other | 2,409 | \$94,448 | 7.3% | Bachelor's degree | 31 | Manufacturing |

| | | | | | | | |
|---------|---|--------|-----------|-------|--------------------------|----|-------------------------------------|
| 15-1122 | Information Security Analysts | 2,980 | \$93,958 | 9.7% | Bachelor's degree | 52 | Finance and insurance |
| 15-2031 | Operations Research Analysts | 3,314 | \$76,761 | 11.7% | Bachelor's degree | 52 | Finance and insurance |
| 13-2052 | Personal Financial Advisors | 4,419 | \$107,164 | 8.8% | Bachelor's degree | 52 | Finance and insurance |
| 15-1133 | Software Developers, Systems Software | 12,562 | \$103,859 | 7.9% | Bachelor's degree | 52 | Finance and insurance |
| 29-1062 | Family and General Practitioners | 3,534 | \$209,808 | 6.4% | Doctoral or prof. degree | 62 | Health care and social assistance |
| 29-1069 | Physicians and Surgeons, All Other | 6,293 | \$229,086 | 5.7% | Doctoral or prof. degree | 62 | Health care and social assistance |
| 29-1130 | Veterinarians | 1,650 | \$98,678 | 10.1% | Doctoral or prof. degree | 54 | Professional and technical services |
| 49-3030 | Bus and Truck Mechanics and Diesel Engine Specialists | 5,816 | \$46,636 | 6.0% | High school diploma | 48 | Transportation and warehousing |
| 53-3021 | Bus Drivers, Transit and Intercity | 3,995 | \$42,277 | 8.3% | High school diploma | 48 | Transportation and warehousing |
| 51-9011 | Chemical Equipment Operators and Tenders | 617 | \$40,194 | 12.5% | High school diploma | 31 | Manufacturing |
| 53-2012 | Commercial Pilots | 1,736 | \$79,994 | 5.5% | High school diploma | 48 | Transportation and warehousing |
| 51-4011 | Computer-Controlled Machine Tool Operators, Metal and Plastic | 1,121 | \$38,819 | 8.5% | High school diploma | 31 | Manufacturing |
| 43-4050 | Customer Service Representatives | 89,224 | \$34,574 | 5.1% | High school diploma | 52 | Finance and insurance |
| 29-2099 | Health Technologists and Technicians, All Other | 3,732 | \$48,838 | 8.1% | High school diploma | 62 | Health care and social assistance |
| 49-9041 | Industrial Machinery Mechanics | 3,976 | \$50,990 | 5.9% | High school diploma | 31 | Manufacturing |

| | | | | | | | |
|---------|--|--------|----------|-------|-----------------------|----|-------------------------------------|
| 49-9099 | Installation, Maintenance, and Repair Workers, All Other | 4,896 | \$42,761 | 6.7% | High school diploma | 23 | Construction |
| 43-4130 | Loan Interviewers and Clerks | 18,822 | \$40,528 | 5.9% | High school diploma | 52 | Finance and insurance |
| 43-6013 | Medical Secretaries | 13,510 | \$36,110 | 8.0% | High school diploma | 62 | Health care and social assistance |
| 47-2073 | Operating Engineers and Other Construction Equipment Operators | 7,876 | \$47,105 | 6.9% | High school diploma | 23 | Construction |
| 47-2071 | Paving, Surfacing, and Tamping Equipment Operators | 1,765 | \$41,503 | 10.2% | High school diploma | 23 | Construction |
| 51-9199 | Production Workers, All Other | 4,177 | \$37,424 | 7.4% | High school diploma | 31 | Manufacturing |
| 43-5060 | Production, Planning, and Expediting Clerks | 7,699 | \$49,261 | 7.3% | High school diploma | 23 | Construction |
| 47-2210 | Sheet Metal Workers | 3,088 | \$41,786 | 9.8% | High school diploma | 23 | Construction |
| 21-1093 | Social and Human Service Assistants | 7,592 | \$34,186 | 6.7% | High school diploma | 62 | Health care and social assistance |
| 53-7061 | Cleaners of Vehicles and Equipment | 8,758 | \$25,672 | 6.9% | Less than high school | 54 | Professional and technical services |
| 47-3012 | Helpers--Carpenters | 591 | \$34,077 | 15.4% | Less than high school | 23 | Construction |
| 39-2020 | Nonfarm Animal Caretakers | 5,840 | \$27,314 | 7.1% | Less than high school | 54 | Professional and technical services |
| 53-7064 | Packers and Packagers, Hand | 5,618 | \$26,775 | 9.7% | Less than high school | 31 | Manufacturing |
| 47-2044 | Tile and Marble Setters | 1,089 | \$45,221 | 9.0% | Less than high school | 23 | Construction |
| 21-1022 | Healthcare Social Workers | 4,234 | \$62,917 | 8.2% | Master's degree | 62 | Health care and social assistance |

| | | | | | | | |
|---------|---|-------|-----------|-------|--------------------------|----|-------------------------------------|
| 29-1122 | Occupational Therapists | 2,057 | \$94,803 | 8.1% | Master's degree | 62 | Health care and social assistance |
| 15-2041 | Statisticians | 1,017 | \$80,327 | 13.2% | Master's degree | 54 | Professional and technical services |
| 49-3011 | Aircraft Mechanics and Service Technicians | 5,272 | \$62,275 | 5.0% | Postsecondary non-degree | 31 | Manufacturing |
| 29-2060 | Licensed Practical and Licensed Vocational Nurses | 6,839 | \$54,086 | 5.8% | Postsecondary non-degree | 62 | Health care and social assistance |
| 17-3011 | Architectural and Civil Drafters | 1,936 | \$58,701 | 8.8% | Associate's degree | 54 | Professional and technical services |
| 15-1152 | Computer Network Support Specialists | 5,471 | \$60,547 | 5.7% | Associate's degree | 52 | Finance and insurance |
| 17-3023 | Electrical and Electronics Engineering Technicians | 2,844 | \$63,549 | 6.1% | Associate's degree | 31 | Manufacturing |
| 29-2035 | Magnetic Resonance Imaging Technologists | 1,039 | \$79,118 | 6.6% | Associate's degree | 62 | Health care and social assistance |
| 23-2010 | Paralegals and Legal Assistants | 6,061 | \$48,374 | 8.3% | Associate's degree | 54 | Professional and technical services |
| 49-2021 | Radio, Cellular, and Tower Equipment Installers and Repairers | 518 | \$51,686 | 11.8% | Associate's degree | 59 | Information Technology |
| 17-2010 | Aerospace Engineers | 2,225 | \$107,233 | 7.6% | Bachelor's degree | 31 | Manufacturing |
| 53-2011 | Airline Pilots, Copilots, and Flight Engineers | 3,192 | \$132,244 | 4.9% | Bachelor's degree | 48 | Transportation and warehousing |
| 17-1011 | Architects, Except Landscape and Naval | 1,858 | \$95,223 | 7.0% | Bachelor's degree | 54 | Professional and technical services |
| 15-1143 | Computer Network Architects | 2,842 | \$101,752 | 6.5% | Bachelor's degree | 59 | Information Technology |

| | | | | | | | |
|---------|---|--------|-----------|------|--------------------------|----|-------------------------------------|
| 15-1199 | Computer Occupations, All Other | 7,352 | \$85,013 | 6.4% | Bachelor's degree | 59 | Information Technology |
| 13-2051 | Financial Analysts | 5,218 | \$78,648 | 7.4% | Bachelor's degree | 52 | Finance and insurance |
| 13-1081 | Logisticians | 2,447 | \$74,784 | 8.2% | Bachelor's degree | 31 | Manufacturing |
| 15-1142 | Network and Computer Systems Administrators | 7,916 | \$85,849 | 5.2% | Bachelor's degree | 52 | Finance and insurance |
| 41-9031 | Sales Engineers | 2,162 | \$110,185 | 6.1% | Bachelor's degree | 59 | Information Technology |
| 41-4011 | Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products | 6,957 | \$83,580 | 5.7% | Bachelor's degree | 59 | Information Technology |
| 29-1061 | Anesthesiologists | 1,147 | \$279,164 | 6.7% | Doctoral or prof. degree | 62 | Health care and social assistance |
| 29-1050 | Pharmacists | 5,572 | \$125,206 | 4.6% | Doctoral or prof. degree | 62 | Health care and social assistance |
| 43-3020 | Billing and Posting Clerks | 11,830 | \$38,252 | 7.2% | High school diploma | 52 | Finance and insurance |
| 43-3030 | Bookkeeping, Accounting, and Auditing Clerks | 24,416 | \$40,934 | 4.1% | High school diploma | 23 | Construction |
| 47-2021 | Brickmasons and Blockmasons | 1,148 | \$46,291 | 7.9% | High school diploma | 23 | Construction |
| 47-4010 | Construction and Building Inspectors | 1,945 | \$56,809 | 5.1% | High school diploma | 54 | Professional and technical services |
| 51-9081 | Dental Laboratory Technicians | 871 | \$45,240 | 8.5% | High school diploma | 31 | Manufacturing |
| 47-5020 | Earth Drillers, Except Oil and Gas | 740 | \$51,987 | 6.9% | High school diploma | 23 | Construction |
| 49-9051 | Electrical Power-Line Installers and Repairers | 1,852 | \$81,948 | 3.8% | High school diploma | 23 | Construction |

| | | | | | | | |
|---------|--|---------|----------|------|-----------------------|----|-----------------------------------|
| 53-7032 | Excavating and Loading Machine and Dragline Operators | 1,209 | \$48,335 | 6.9% | High school diploma | 23 | Construction |
| 41-3020 | Insurance Sales Agents | 9,475 | \$59,157 | 5.0% | High school diploma | 52 | Finance and insurance |
| 49-9043 | Maintenance Workers, Machinery | 1,572 | \$46,174 | 7.2% | High school diploma | 31 | Manufacturing |
| 31-9093 | Medical Equipment Preparers | 1,545 | \$36,657 | 7.6% | High school diploma | 62 | Health care and social assistance |
| 51-4080 | Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic | 1,687 | \$36,191 | 7.2% | High school diploma | 31 | Manufacturing |
| 43-9060 | Office Clerks, General | 52,431 | \$37,732 | 4.3% | High school diploma | 23 | Construction |
| 43-5070 | Shipping, Receiving, and Traffic Clerks | 10,855 | \$34,229 | 7.0% | High school diploma | 52 | Finance and insurance |
| 49-9052 | Telecommunications Line Installers and Repairers | 1,847 | \$50,803 | 6.6% | High school diploma | 23 | Construction |
| 51-4110 | Tool and Die Makers | 750 | \$53,271 | 8.1% | High school diploma | 31 | Manufacturing |
| 51-4121 | Welders, Cutters, Solderers, and Brazers | 5,250 | \$43,154 | 7.6% | High school diploma | 23 | Construction |
| 51-9198 | Helpers--Production Workers | 3,326 | \$28,845 | 7.7% | Less than high school | 31 | Manufacturing |
| 37-2011 | Janitors and Cleaners, Except Maids and Housekeeping Cleaners | 38,197 | \$26,406 | 4.9% | Less than high school | 62 | Health care and social assistance |
| 47-2151 | Pipelayers | 646 | \$43,975 | 7.0% | Less than high school | 23 | Construction |
| 41-2030 | Retail Salespersons | 104,177 | \$27,045 | 1.5% | Less than high school | 52 | Finance and insurance |
| 47-2082 | Tapers | 1,405 | \$46,977 | 8.9% | Less than high school | 23 | Construction |

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|---------|---|-------|----------|------|--------------------------|----|-----------------------------------|
| 29-1127 | Speech-Language Pathologists | 2,421 | \$74,710 | 5.7% | Master's degree | 62 | Health care and social assistance |
| 31-9091 | Dental Assistants | 7,445 | \$40,677 | 6.9% | Postsecondary non-degree | 62 | Health care and social assistance |
| 29-2040 | Emergency Medical Technicians and Paramedics | 3,476 | \$38,263 | 6.6% | Postsecondary non-degree | 62 | Health care and social assistance |
| 31-9010 | Massage Therapists | 3,288 | \$42,338 | 7.4% | Postsecondary non-degree | 62 | Health care and social assistance |
| 29-2055 | Surgical Technologists | 2,380 | \$50,676 | 7.0% | Postsecondary non-degree | 62 | Health care and social assistance |
| 49-2022 | Telecommunications Equipment Installers and Repairers, Except Line Installers | 3,024 | \$59,081 | 2.4% | Postsecondary non-degree | 59 | Information Technology |

Source: Arizona Commerce Authority/Office of Economic Opportunity

[21] In-Demand Occupations can potentially have multiple related NAICS Industries